FBIS DAILY REPORT

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BOMB EXPLODES NEAR U.S. EMBASSY MARINE HOUSE

PY141230 Buenos Aires DYN in Spanish 1205 GMT 14 Jun 83

[Text] Buenos Aires, 14 Jun (DYN) -- Early this morning a bomb of medium power exploded in front of the building which houses the U.S. marines in charge of guarding the U.S. Embassy offices in Buenos Aires, but there were no casualties. The explosion took place at 0215 in front of the building located on 2935 Colodrero Street, Villa Urquiza neighborhood.

According to the initial investigations, the explosives were placed in the right rear side of a mini bus parked in front of the building. The vehicle was completely destroyed and the windowpanes of this and other nearby buildings were broken. There were no casualties either among the U.S. militarymen or the people in the neighborhood.

LABOR MINISTER TELLS ILO OF LABOR FREEDOMS

PY140240 Buenos Aires DYN in Spanish 1400 GMT 9 Jun 83

[Excerpt] Buenos Aires, 9 Jun (DYN) -- Today Labor Minister Hector Villaveiran declared to the International Labor Organization (ILO) that "labor movement activities have broad freedom in Argentina."

As evidence of his emphatic assertion, Minister Villaveiran noted that the military government had restored legal recognition of the right to strike and instituted a system which "implies recognition of the right to participate in collective bargaining" regarding salary. He pointed out that there are "less than 20 organizations" left under military intervention," adding that their normalization "should be completed in the very near future."

During an exposition made to the ILO assembly in Geneva, Switzerland, Villaveiran announced that the government is studying two draft laws providing for "legal recognition for nationwide labor confederations and for reforming the law on labor associations to harmonize the right of labor organizations to act and have representation.

Villaveiran thus attested that the military government is promoting labor normalization and is abiding by ILO recommendations repeatedly made since 1976 for the government to ease restrictions imposed after the outster of Peronism.

OFFICIAL LABOR DELEGATION CONTESTED IN GENEVA

PY140059 Buenos Aires DYN in Spanish 1210 GMT 13 Jun 83

[Excerpts] Buenos Aires, 13 Jun (DYN) -- The Argentine official labor delegation to the ILO conference has been contested by the International Conference of Free Trade Unions Organization (ICFTUO].

This report has been released from Geneva by Rene Azar (UTA -- Motor Transport Workers Union), head of the official labor delegation. However, Azar stated that this measure will not succeed.

"This objection is only an administrative measure with the sole objective of not staying in bad terms with the two General Confederations of Labor [CGT-BRAZIL and CGT-AZOPARDO], but it will have no practical effect. As proof of this, I have already been appointed to speak on Wednesday afternoon" before the assembly, Azar told DYN from Geneva, where the ILO conference is being held.

ICFTUO has presented the objection to ILO authorities stating that the Argentine union movement is represented by the CGT, without specifying in its respective telegram whether it was referring to the CGT-BRAZIL or to CGT-AZOPARDO, Azar stated.

FREEMASONS CHARGED AS 'SPIES' IN FALKLANDS WAR

PY141744 Buenos Aires DYN in Spanish 1315 GMT 12 Jun 83

[Text] Rosario, 12 Jun (DYN) -- According to a press report issued here today, Argentine Freemasons of British descent acted as virtual "spies" of the British Government before and during the South Atlantic war.

According to the report, many of them used to belong or still belong to some of the 26 British Freemason lodges established in nine Argentine provinces. In Buenos Aires the organization is known to have established its headquarters at 1134 Peru street and at the Anglican Church at 252, 25 de Mayo Street.

The report by Jose Capparelli, which was published in successive issues of the daily ROSARIO of this city, especially refers to the charges made in letters by Alcibiades Lappas, "one of the most brilliant, moral, and intellectual creators" of Argentine Freemasonry. According to the report, Lappas -- shortly before dying -- verbally denounced before his "brothers" of the Masonic lodge to which he belonged that "some members had notoriously intensified their pro-British activities" after the 1976 military coup. According to the daily ROSARIO, Lappas seems to have documented his charges with letters which allegedly implicated "several prominent Freemasons, among them Bouilly, Badia, Billinghurst, and Carlos Wilson, a well-educated, socially well-mannered, and extremely sensitive foursome."

Lappas had allegedly taken special care to accuse Wilson of having "virtually betrayed the fatherland" during the war which Argentina waged with Great Britain over the sovereignty of the Malvinas Islands last year. The press report continues to state that Wilson, grand master of Argentine Freemasonry, is a son of British parents and that at the age of 20 he became a member of the British Masonic Lodge "Colombia No 6682" which is subordinate to the Grand United Lodge of England, and through it received direct orders from the Duke of Kent who is a cousin of Queen Elizabeth II.

Lappas' charges -- according to the ROSARIO -- said that Bouilly, Badia, Billinghurst, and Wilson provided "political-military reports to England regarding the islands in dispute with Chile and the Malvinas even before the start of the armed conflict" in the South Atlantic. After noting that the "spies" worked through a network that had infiltrated Argentine Freemasonry established by the Duke of Kent, Lappas reportedly stated that the lodge had perpetrated these violations in Argentina because of "foreign pressures regarding the conflicts" in which the Argentine Government is involved with Chile and Great Britain. The report, which is signed by Capparelli, also mentions a letter that Lappas sent to Jose Lopez Rega in which he refers to the excesses that were perpetrated by the members of the Argentine Freemasonry.

However, the late Masonic leader had reportedly explained to Lopez Rega -- former social welfare minister during the last Peronist government -- that the "violations that were perpetrated by the men (in the lodge) were a temporary issue, while the principles of the lodge are eternal and therefore, we are obliged to make them last beyond our own lives."

Regarding the pro-British attitude of some members of the lodge, Lappa added in the letter that "our oath states that we should defend the nation and uphold its laws, therefore, those who were involved in these actions automatically cease to belong to the lodge for not complying with their oath."

The newspaper report also alludes to alleged difficulties made by the Argentine Catholic Church which did not want the repatriated remains of General Jose de San Martin, who was a Freemason, to rest in the Metropolitan Cathedral, where they are at present. In this regard, it notes that after accepting the fact, "church authorities placed the coffin looking downward, which alludes to the theory that those who die outside the Church go to Hell which, according to the Catholic Church, is found in the bowels of the earth.

NAVY REPORTEDLY TO PURCHASE SKYHAWKS FROM ISRAEL

PY141730 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1800 GMT 11 Jun 83

[Excerpts] Buenos Aires, 11 Jun (NA) -- According to reliable sources, this week the Navy decided to purchase 24 Skyhawk A4E's from Israel, worth approximately $70 million.

In answer to a question, trustworthy sources at the Navy Command said that the force has not purchased any war material since June last year, but the sources did not expressly deny the report. It has also been learned that the Argentine Navy has placed an order with the Swiss Tek company for the production of a tele-command torpedo named Telemine. The price of the torpedos, which could remain "dormant" at the bottom of the sea for up to 2 years, is reportedly over $300,000, according to the latest issue of the international magazine DEFENSE sold in this capital.

BRIEFS

OIL, COAL PRODUCTION FIGURES -- Buenos Aires, 31 May (NA) -- The Energy Secretariat reported today that in the first 4 months of 1983, oil production dropped 0.6 percent with respect to the same period in 1982. During the same period, coal production grew 21.2 percent. [Summary] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2150 GMT 31 May 83 PY]

GRAIN SHIPMENTS ABROAD -- To date this year, 2.5 million metric tons of grain have been shipped overseas from Ingeniero White Port. Leading buyers are the Soviet Union, China, and Iran. Wheat accounted for most of the shipments, totaling 2.2 million metric tons. It is anticipated that should the shipments keep up at the present pace, an annual total of 5 million metric tons might be reached. [Text] [Buenos Aires Domestic Service in Spanish 1600 GMT 8 Jun 83 PY]

SORGHUM SHIPMENTS TO USSR -- Santa Fe, 28 May (TELAM) -- Reliable sources report that the Greek freighter "Ermis" and the Argentine freighter "Astrapatricia" have departed from the local port with 10,000 and 6,500-ton shipments of sorghum for the USSR. [Summary] [Buenos Aires TELAM in Spanish 0350 GMT 29 May 83 PY]

TUBERCULOSIS CASES -- La Plata, 5 Jun (TELAM) -- Health authorities of the health department of the Buenos Aires Public Health Ministry have revealed that 7,451 cases of tuberculosis were reported during 1982, which means a rate of 65.5 per 100,000 people. [Summary] [Buenos Aires TELAM in Spanish 2315 GMT 5 Jun 83 PY]

PROSPECTIVE MITTERRAND VISIT ANNOUNCED

PY150039 La Paz EL DIARIO in Spanish 8 Jun 83 p 1

[Excerpts] Jean Claude Guissete, the new French ambassador to Bolivia, presented his credentials to President Hernan Siles Zuazo yesterday and officially announced that French President Francois Mitterrand will soon visit Bolivia.

The ambassador recalled Siles' visit to Paris. International courtesy demands that such visits be returned, which in this case means that French President Francois Mitterrand will visit Bolivia, although he has not yet scheduled a date.

The ambassador concluded by discussing the visit of French President Francois Mitterrand, stressing that it is required by a rule of international etiquette as a result of Siles' visit to Paris. "It is only natural that President Mitterrand should return Siles' visit," the ambassador noted, hastening to clarify that there is still the problem of setting the date.

COB COMMUNIQUE OPPOSES GENERAL ELECTIONS

PY140310 Madrid EFE in Spanish 1400 GMT 13 Jun 83

[Text] La Paz, 13 Jun (EFE) -- Today the Bolivian Workers Central (COB) rejected the proposal made by political opposition sectors that general elections be held in 1984.

COB released a communique expressing its conviction that the proposal to hold general elections in 1984 "is a lever being used by the reactionary forces." It calls the proposal "illegal and unconstitutional," and adds that it only has the object of "destabilizing the ongoing democratic process." The communique declares that "the extreme right must cease calling for 1984 elections because Bolivia's majority forces do not agree."

Political opposition sectors in recent weeks have been urging the Siles Zuazo regime to call for new general elections in 1984, since its 4-year term will be complete next year. According to their argument, Siles Zuazo won the 1980 elections, thus his term will be completed in 1984, despite the fact that he came to power in 1982 after a 2-year period during which Bolivia was governed by a military regime which seized power through a coup d'etat.

The Government rejected this argument and last week published the congressionally approved decree mandating that Siles Zuazo's term of office run for 4 years from the date he took power on 10 October 1982.

According to the opposition, Siles Zuazo was designated president through a congressional resolution, and therefore the legislative branch could cancel his mandate "for the sake of strengthening the democratic process." The opposition also contends that the Siles Zuazo government has been eroded by internal differences which have undermined its credibility and have imperiled the continuity of the constitutional process.

MINISTER ON COUNTRY'S INCOME EXPENDITURES

PY141932 La Paz Radio Illimani Network in Spanish 1700 GMT 14 Jun 83

[Text] This morning Planning and Coordination Minister Arturo Nunez del Prado said that the country has a yearly income of $1.2 billion a year from exports and loans available for investments. He said that $900 million come from the sales of national products, and between $200 and $250 million come from credits or loans from international financial organizations.

He explained that part of the $1.2 billion is used to cover the public foreign debt including amortizations and interest and also for the legitimate imports of inputs and other needed products. Nunez del Prado indicated that the remaining $600 to $650 million can be sold as foreign currency at the rate of about $50 million a month if proper requirements are complied with. A few hours ago Finance Minister Machicado Saraiva said -- in reference to the escalation of the U.S. dollar which now costs over 450 Bolivian pesos -- that the way to prevent speculation in this currency is to accelerate the dollar sale. The sale of about $30 million a month has been authorized for the next few months, but according to Machicado Saraiva, this amount should be raised to $50 million. The planning minister said that this would be possible because the country has about $600 to $650 million available from exports and credits.

DEMAND FOR DEFENSE MINISTER'S RESIGNATION DENIED

PY142313 Paris AFP in Spanish 0037 GMT 14 Jun 83

[Text] La Paz, 13 Jun (AFP) -- Today General Alfredo Villarroel Barja, commander of the Bolivian Armed Forces, denied that the leaders of the La Paz garrisons had asked for the resignation of Defense Minister Jose Ortiz Mercado.

In statements made at the end of a meeting held with president Hernan Siles Zuazo, Gen Villaroel Barja guaranteed that complete calm and discipline prevails in the Armed Forces. Interior Minister Mario Roncal Antezana has announced that the state's security agencies are inquiring about the implications of a bank hold up in the forested areas of San Borja and the killing of 11 persons in the Guanay, North La Paz Department. Unconfirmed reports estimate that these criminal actions might be related to subversive preparations by ultraleftist or to paramilitary groups linked to the drug traffickers who were ousted from power on the advent of democratic rule on 10 October 1982.

MINISTER SAYS RELATIONS WITH PARAGUAY CORDIAL

PY141411 La Paz Cadena Panamericana in Spanish 1130 GMT 14 Jun 83

[Text] The Bolivian foreign minister has labeled diplomatic relations with Paraguay as traditionally cordial and friendly in answer to press reports from Paraguay stating the contrary.

The foreign minister said: Our relations with the brother country of Paraguay have not suffered any deterioration or setback. On the contrary, minor difficulties have been overcome in the last few days.

PETROBRAS DEFERRING PAYMENTS ON IMPORTED OIL

PY142316 Rio de Janeiro JORNAL DO BRASIL in Portuguese 9 Jun 83 p 22

[Excerpt] Porto Alegre -- Yesterday Armando Guedes Coelho, Petrobras industrial manager, announced that this corporation has deferred part of its debt stemming from loans obtained to purchase oil by 4 and 6 months. Payments on imported oil, extended to 1984, have relieved the balance of payments during the first half of the year, and a large portion of the trade surplus accumulated up to May (slightly over $2 billion) was due to that deferment, the Petrobras manager admitted.

These statements were conveyed to Rio Grande do Sul businessmen at a luncheon held by the Federation of Trade Associations. Out of the $8.4 billion allocated for oil imports this year, almost $800 million were rolled over during the first months of this year. This saving was achieved because the enterprise stopped paying monthly installments of $70 million on loans secured and has been rolling over approximately $200 million per month.

PROTESTS AGAINST UNEMPLOYMENT, LOW SALARIES

PY141501 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 14 Jun 83

[Text] Sao Paulo Governor Franco Montoro submitted the draft bill implementing a 15 percent salary readjustment for public servants yesterday. While striking public servants decided to hold a new rally today at 0700 [1000 GMT], other events took place in Sao Paulo yesterday.

Five hundred people gathered in Largo 13 de Maio Square, in Santo Amaro, to protest against unemployment. The demonstration began at 0900 [1200 GMT] and ended 5 hours later when 40 policemen armed with sticks dispersed the demonstrators. The demonstration had been organized by the Committee for Struggle Against Unemployment and the Command of Mobilization Against Unemployment.

There were other disturbances in front of the INAMPS [National Institute for Social Security Medical Assistance] and INPS [National Institute of Social Security] offices in Santo Amaro, Lapa, Ipiranga and Penha. The Santo Amaro and Lapa offices were looted, and attempts were made at Ipiranga and Penha. The incidents arose because no services were being rendered by striking federal servants.

The Santo Amaro office, located on (Comendador Elias Sartur) Street, had already been attacked on Monday last week. A group of striking municipal workers managed to partially paralyze the garbage collecting service at the (?SEE) [expansion unknown] regional headquarters. Some 100 strikers, split into small groups in front of the three gates of the public garbage collection service building on the (Estado) Avenue, circulated leaflets calling upon garbage collection service employees to join the strike that began early in June against the 15 percent salary readjustment approved by the Municipal Chamber.

PAPER APPROVES OF THATCHER'S ELECTORAL VICTORY

PY140050 Rio de Janeiro O GLOBO in Portuguese 11 Jun 83 p 1

[Editorial: "Unconditional Victory"]

[Text] The overwhelming electoral victory of Prime Minister Margaret Thatcher -- the largest by a British political party in this century -- is a clear recognition of good sense, coherence, and courage, the virtues of statesmanship which well meet the clamor of Great Britain and Europe these days.

It is also the victory of a style of democracy which does not yield to opportunistic political concessions and easy acquiescence to popularity. The "Iron Lady" won her reelection and trounced the Labor Party without relinquishing her characteristic firmness, and even severity, in the handling of the domestic and foreign affairs of the government.

The Labor opposition tried to exploit all the unpopular byproducts of the anti-inflationary program, the drama of unemployment, and other difficulties which the world economic crisis heaped upon the British situation already besieged by imbalances and losses before that crisis. Labor promised the electorate massive state investments and nationalization of various industrial sectors as a program to create employment. However, these demagogic appeals and miraculous promises did not sway the mood of the British people who preferred to continue supporting a clear and decided leadership. Moreover, this time the British made his choice fully aware of the disastrous consequences and ominous prospects of Mitterrand's socialism. In neighboring France, the vague "desire for change," which empowered the socialist victory, soon began to harvest the bitter fruits of an internal crisis of major proportions, and raised fears for the country's institutional destabilization.

Margaret Thatcher did not mince words to ask for votes for "the proscription of extreme-left Socialism's dark and ruinous night." Those who belabored the prime minister's rightism and her commitment to the Atlantic alliance and the Reagan Government wasted their time. An identical lot awaited those who assailed her inflexible stand throughout the Malvinas war, never backing off former President Galtieri's malicious or suicidal maneuvers but on the contrary, carrying the defense of British sovereignty over the islands to its ultimate political and military consequences.

Thatcher's Great Britain is a deeply European and Western nation: a Great Britain conscious of its association with the EEC and NATO, and of its unconditional alliance with the United States. Yet, this is not a belligerent and aggressive Great Britain, but one which is a decisive element of a common Western strategy capalbe of keeping Soviet aggressive intentions at bay and of promoting advances in disarmament negotiations.

On the domestic front, the Iron Lady proves that there can be perfect compatibility between orthodox democratic practice and coherent measures to fight inflation, control unions' power, administer salary readjustments prudently, confront strikes and disturbances, etc. The British electorate makes its option for a democracy which is real, lucid and vigorous.

DAY OF PROTEST MARKED BY VIOLENCE, VANDALISM

Interior Ministry Communique

PY141931 Santiago Domestic Service in Spanish 1730 GMT 14 Jun 83

[Text of communique issued by Chilean Interior Ministry on 14 June 1983]

[Text] In face of the events that happened today, the government has deemed it necessary to state the following:

By means of a number of statements issued by political sectors opposed to the government, an attempt has been made to carry out a so-called protest action today. Those statements and documents particularly stressed the peaceful character of that protest action.

The government warned -- and the government's warning has been confirmed by facts -- that the Communist Party and its well-known permanent strate of violence and subversion are behind the organizers of this protest action in order to take advantage of the situation. The following violent actions that have already taken place so far today prove this charge:

A dynamite bomb went off on the railroad track in Rengo at 2100 [0100 GMT]. Train service was interrupted. A bomb went off between San Francisco and (Hospital) at 2110 knocking down an powerline pole onto the railway track. A booby trap was defused by the bomb brigade at 445 (Las Rejas) Street. The Herfano theater was set on fire, damaging the basement and hall. A bomb went off at a bus stop at 758 (Reina de Chile) Street, (El Salto) area, damaging the doors of neighboring houses. Unknown persons threw a fire bomb at a bus parked at 536 (Miguel Gamero) Street, destroying it. At (Santa Rosa) and [word indistinct], six armed individuals in a Fiat 600 sprinkled fuel on a bus and set it afire before fleeing. In Rancagua there was a dynamite explosion at the km 93 of the railroad track, (Paso Superior los Libios), causing serious damage to a high tension power line and interrupting train service. In Concepcion, in the (Copulemu) and (Coronel) sectors, there were two consecutive dynamite attacks on two power line pylons. In Vina del Mar, a bomb exploded in the Carabineros Retired Officers Club.

Despite the events mentioned, the government reports that activities in the country are developing in complete normality and tranquillity. The government again confirms its decision to guarantee complete personal security and tranquillity to all citizens. We call on our supporters not to let themselves be carried away by Marxist instigators; keep calm and at the conclusion of your regular work, go home and remain there in order to clearly identify the guilty individuals.

Students Demonstrate

PY150051 Santiago Domestic Service in Spanish 2300 GMT 14 Jun 83

[Text] The library of the University of Chile has been turned into a center of political violence. Agitators gathered all afternoon around this library, which was occupied by a group of students.

Marxist elements infiltrated among the students engaged in burning tires on (?Grecia) Street near the corner of (Jose Pedro Alessandri) Avenue. Carabinero troops who were deployed to the area decided to isolate the area, rerouting the flow of traffic to other side streets. Later, in order to warn students and make them surrender their position, the police threw some tear gas bombs; however, this action did not have any effect and the students remained inside the library. Later, they moved to the back of the (Unimark) supermarket, throwing objects at the police.

Other groups of activists decided to build barricades on the street to prevent the passage of vehicles. It is appropriate to note that among these activists were several elements who do not belong to the students body. These activists also tried to throw large objects on the avenues.

The Physics and Mathematical Sciences Department has also been the object of disorder. This provoked the intervention of police personnel, who dispersed the would-be demonstrators. According to some reports, five persons were detained during the disturbances and two were injured by objects thrown by unidentified persons who infiltrated the students.

Further Reports

PY150113 Paris AFP in Spanish 2153 GMT 14 Jun 83

[Excerpts] Santiago, 14 Jun (AFP) -- Today groups of demonstrators burst into various parts of Santiago shouting slogans against General Augusto Pinochet's government. The police used tear gas and water cannons to restore order.

Massive demonstrations were mainly held in the vicinity of the College of Law and in front of the Palace of Justice during the second day of national protest held by the labor unions to request a return to democracy. Although the National Workers Command had asked the people not to go out into the streets, at noon students began to hold marches and mass meetings, set up barricades, and light bonfires in the Macul neighborhood, located east of Santiago.

The first reports released stated that several demonstrators were arrested by Carabineros at the Palace of Justice where a group of lawyers loudly read the Universal Declaration of Human Rights in chorus.

Public transportation vehicles were also set on fire and unidentified people threw objects onto some streets to puncture bus tires.

This morning, the police adopted special security measures at university facilities and in downtown Santiago, where there were many patrols of Carabineros with German shephard dogs.

Two power line pylons were blown up in Concepcion, 500 km south of Santiago. Similarly, Adolfo Quinteros, president of the truck owners union, reported that in the cities located south of Concepcion truck owners observed the protest by removing many vehicles from circulation.

Other transportation leaders stated that although the transportation sector had not previously agreed to stop, taxi services dropped 60 percent as did bus service in Santiago and other cities.

[Paris AFP in Spanish at 2156 GMT on 14 June reports that "several radio stations reported at 2130 GMT that approximately 50 dissidents were reportedly arrested during the incidents."]

Pinochet Warns Politicians

PY150034 Santiago Domestic Service in Spanish 1730 GMT 14 Jun 83

[Text] President Pinochet has arrived in Copiapo. Graciela Contreras now reports from the Third Region.

[Begin Contreras relayed report from Copiapo] Today President Pinochet warned politicians here in Copiapo that he will soon send them back to their cubbyholes. He added that these politicians are very negative gentlemen and that they belong to the same small group.

President Pinochet also denied that gold had been renegotiated. He categorically stated that a militaryman does not sell his homeland. He made this statement on greeting the people of the Third Region of Atacama who gathered at Alvorada Square in Copiapo to participate in the civic-military ceremony.

Speaking on behalf of the people, and especially of the miners in welcoming President Pinochet, the mayor of the community expressed his repudiation of those who intend to undermine the sovereign decision of the overwhelming majority of the Chilean people change the set course.

The president stated that as far as the mineworkers' situation is concerned, the Central Bank has been ordered to study the gold market to make it more expeditious, so as to become a truly competitive purchasing agency and not a cause for a decline of gold sales. He also announced a reduction by 50 percent of electricity prices for all farmers, miners, and for the entire region. He also said that the reimbursable credits will be granted with a grace period of 2 years.

Pinochet also urged the people of Copiapo to speed up renegotiation of debts so as to promote reactivation of the economy. We must be the first in the world to show a real reactivation of the economy, as desired by the government and all Chileans. The people responded to Pinochet's speech with lengthy applause.

On expressing his greetings to the people, the president stated:

[Begin Pinochet recording] I want to conclude by saying that I am perfectly calm, and to the politicians I want to say that we will soon send them to their cubbyholes [words indistinct]. These politicians are very negative gentlemen. They usually make up the same small group which moves from one place to another, and some even dare to tell lies. The renegotiation of the country's debt is not based on gold sales, but they are saying that gold has been renegotiated, that it has been taken from the country. A militaryman does not sell his country, gentlemen. [end recording]

The president of the republic arrived in this regional capital shortly after 1100 where at the (Popagate) airport, following the appropriate military honors, he received the greetings of the local authorities headed by regional commander Colonel Alejandro Gonzalez. He will stay here for 3 days, carrying out intensive activities, including meetings with workers from different productive sectors, dedication of development projects, and a personal assessment of the development of regional programs.

Pinochet Holds Position

PY150258 Paris AFP in Spanish 0047 GMT 15 Jun 83

[Text] Copiapo, 14 Jun (AFP) -- Chilean President Augusto Pinochet stated today that the constitutional timetable which extends his term in office until 1989 will not be changed, and warned that his military government will harden its position should the opposition persist in its protest.

Pinochet spoke to a rally of followers on beginning a tour from Copiapo through several northern provinces, while in Santiago and other important Chilean cities the citizens are staging demonstrations against the regime he has been heading for 10 years.

The day of protest was characterized by brief rallies, the sound of empty lunch pails, dynamite attacks, absenteeism in schools, a work slowdown, a university student rally, mass celebrations, the public reading of the Universal Declaration of Human Rights, and the distribution of pamphlets, among other actions. The police resorted to tear gas and water hoses to disperse some demonstrations, and unofficial sources reported that by the evening at least 100 opposition members were detained.

The president stated in his speech that all these demonstrations, which are neither original nor Chilean, are communist tactics which gradually intensify until they reach a climax of violence. If prudence does not prevail under the present circumstances, the government will harden its position regardless of the outcome, he stated.

I do not want to use force, and I want this to be understood -- that the paths and landmarks established by the constitution will be respected, in spite of the politicians who realize that they are running out of time and are beginning to bang on the doors again, taking advantage of the current economic situation (the crisis), Pinochet stated. The time will come in which it will be necessary to tell them: Gentlemen politicians, get out of here. We do not want you here anymore, the president stated.

According to him, there is a smear campaign against his government abroad. The national human rights commission and the commission against torture are manipulated by communists, he said. Speaking fervently, Pinochet defended and listed the achievements of his government: Haven't we managed to protect, for instance, our foreign relations from a possible aggression? We have prevented a conflict, he stated, in an apparent reference to the conflict with Argentina over the Beagle Channel in the southermost region of America, which in 1978 almost unleashed a war with that neighboring nation.

Protest Leader Seguel Interviewed

PY150231 Paris AFP in Spanish 2350 GMT 14 Jun 83

[Text] Santiago, 14 Jun (AFP) -- Union leader Rodolfo Seguel stated today that there will not be a third national protest against General Augusto Pinochet's regime if democracy is restored tomorrow.

The president of the powerful Copper Workers Confederation (CTC) and leader of the National Workers Command, which held the second peaceful national protest against the military government, told AFP that the Chilean people do not consider returning to total democracy a utopia, but a right that they will regain.

Seguel, 29, called the "Chilean Walesa" for his love of peace, stated that although the first national protest held on 11 May pursued economic and social objectives, today's protest clearly pursued political ones. Seguel told AFP: We are clearly seeking political objectives. The Chilean people believe that the most important of these objectives is the return to democracy. If they (the government) believe that seeking democracy means we are Marxists, then we are Marxists. However, Sequel ironically stated: we want democracy.

Seguel said that the Chilean workers are aware of what they are fighting for, adding that if the government is not well aware of Chile's political situation, it should analyze it. Seguel ruled out the possibility that the national protests were orchestrated by Marxists, as reported by official spokesmen. The Chilean people protest simply because they are upset about and fed up with the injustices committed in the country. If the government were more open, he said, it would try to see what changes must be made.

The leader of the 22,000 copper workers said he was pleased about the peaceful nature of the second national protest. Seguel said that the people openly expressed their annoyance about and repudiation of the regime that has been oppressing them for the past 10 years. Seguel recalled that the first national protest held on 11 May was a very important event that the Chilean people will probably never forget.

The first protest was a recovery of the people's morale and resoluteness to demand their rights. This is something very sacred for me, the young union leader stated.

However, Seguel dismissed the possibility of a confrontation with the government "because they (the military) have weapons and the people do not have any."

Referring to the overthrow of President Salvador Allende, Seguel expressed his hope that there will not be another military coup similar to the one in 1973 because many Chileans died then. Seguel said that no matter how many more military coups are staged in Chile, nothing will undermine the morale and the resoluteness that the people have recovered.

During the interview with AFP, the union leader pointed to the impressive coverage by the news media of the national protest. There is much interest abroad in what is happening in Chile because Chile has lived under an authoritarian regime for the past 10 years, and because few people have managed to peacefully overthrow a system of government like the Chilean one.

In conclusion, asked when the next protest would be held, Seguel categorically answered: "I hope there will not be another protest. However, we want democracy tomorrow."

Seguel Kidnapped

NC150850 Paris AFP in English 0844 GMT 15 Jun 83

[Text] Santiago, June 15 (AFP) -- Rodolfo Seguel, President of the National Workers' Confederation which organized nation-wide protests against the Chilean Government yesterday and a month earlier, was kidnapped from home by armed men late last night.

A lawyer acting for the confederation, which called the protests against General Augusto Pinochet jointly with political and other groupings, said a dozen men in civilian clothes but armed with machine guns smashed down the rear door to Mr Seguel's home at 3:00 A.M. and marched him off to an unknown destination.

Mr Seguel, known here as the "Chilean Lech Walesa", also leads the powerful copper-miners' confederation -- grouping 22,000 workers in Chile's main income industry. The unions had repeatedly urged that yesterday's protest be peaceful. Mr Seguel expressed concern last night after the day of action left two dead; six wounded and some 350 under arrest.

In the May 14 demonstration, the bitterest protest at the general's regime, two people also died and thousands of men were herded into football stadiums for identity checks and questioning.

FOREIGN MINISTER ON BEAGLE, BOLIVIAN RELATIONS

PY142202 Santiago Domestic Service in Spanish 1100 14 Jun 83

[Text] Concerning the remarks by Argentine President Reynaldo Bignone on a peace treaty with Chile, Chilean Foreign Minister Miguel Schweitzer said that Chile will make no decisions other than those proposed by His Holiness John Paul II in connection with the Beagle dispute. Over the weekend President Bignone said that it was not necessary to sign a peace treaty because such a treaty was implicit in the Act of Montevideo, which was signed in 1979.

The Chilean foreign minister stressed that in all matters dealing with the dispute, Chile would respect the mediation by His Holiness. He added: We are subject to the steps being taken by the pope. Minister Schweitzer remarked that Chile will make no decisions other than those proposed by the Holy See, because the Vatican is the valid interlocutor on this matter.

Concerning the statement by the Bolivian foreign minister that it was not necessary to restore diplomatic relations with Chile in order to hold talks about Bolivia's aspiration for an access to the sea, Minister Schweitzer said that that was the opinion of the Bolivian foreign minister.

In regard to the flexibility that is necessary to begin the talks -- an issue that was raised by the Bolivian foreign minister -- Minister Schweitzer said: I have always advocated flexibility without abandoning our principles.

'ISOLATION,' RELATIONS WITH U.S. ANALYZED

PY132015 Madrid EFE in Spanish 1410 GMT 11 Jun 83

[Text] Santiago, 11 Jun (EFE) -- Chile's foreign relations during the period October 1982 - April 1983 have been analyzed by the group of International Studies which today issued a document entitled "Chile's International Isolation." The group is linked to the Christian Democratic Party.

The document states that "the weakness of Chile's foreign policy under the current regime is consubstantially linked to the regime's nature," and points out that "the difficulties which the country has experienced would not have existed had a democratic system been in force," that "those difficulties will only be overcome with the effective return of democracy."

Regarding the relations with the United States, the report states that "relations with the United States have not improved even with Reagan" and points out that "Reagan's Administration not only did not certify the improvement of human relations, but the U.S. State Department report issued in February also states that during the past few years, the respect for human rights in Chile has experienced a set back."

The end the report refers to the Chilean economic situation stating that "with the weakening of the only field which revealed a favorable international relationship, the country's international isolation has increased."

FINANCE MINISTER CACERES ADDRESSES NATION

PY101745 Santiago EL MERCURIO in Spanish 4 Jun 83 p C4

["Text" of Finance Minister Carlos Caceres' address to the nation over radio and television network in Santiago on 3 Jun 1983]

[Text] Ladies and gentlemen: I address the nation to account for some of the important achievements made by our economy and at the same time to report that the measures we have taken are yielding results which represent a slow but sustained recovery.

In general terms I will refer to the measures taken regarding the country's foreign commitments; to the mechanisms for rescheduling the domestic debts and mortgages which definitely cut off state subsidies for debtors; to some measures aimed at strengthening the economic reactivation process and reducing unemployment rates; to the salary readjustment for public servants and workers who are not subject to collective bargaining and, lastly, to the conviction of almost having achieved, with sacrifice, the necessary conditions for the ever-desired economic growth.

However, before referring to the aforementioned issues, I wish to strongly reiterate the economic policy guidelines whose enforcement and updating will allow the national economy to prosper.

I. The recovery of production presupposes the development of a viable and strong private sector which the government will encourage.

2. The government will promote a solid financial system. To this end, it has already tightened the control measures which will guarantee the system's efficiency, and has maintained the measures it has dictated to spread out the excessive credits which some financial groups had received.

3. The government has decided to draw up draft laws to improve the economic and financial legislation as well as that of the capital market in general.

4. Taking into account that the lack of capital is one of the main obstacles for the economic development of the country, the government has adopted measures to encourage saving. To this purpose the 5-percent tax for housing was eliminated in January; a tax reduction equivalent to 8 percent of any amount of money invested in a company by acquiring shares or portions of its corporate capital was established in March. Moreover, the legislative branch is currently studying a new tax legislation which, among other purposes, seeks to establish taxing conditions which will encourage investments.

5. I want to point out that the economic team has decided to try to maintain a balanced interest rate which will encourage savings without being an obstacle for the investments which the country requires.

6. As was announced in March 1983, the supreme government intends to maintain the social programs despite the difficulties experienced and, if possible, to gradually improve the people's income which has deteriorated due to the international recession.

In referring to the solution to our economic problems, I must point out that rescheduling our 1983-84 foreign debt and obtaining the new funds which our country will require this year presupposes an agreement with the IMF. All the Latin American countries have had that same experience.

This explains why, before starting actual negotiations with the IMF, we had to reach an agreement with that organization regarding an adjustment and financing program according to the emergency plan issued on 22 March.

The agreement reached with the IMF mentions the needs which the government believes can be met with the means available. Therefore, the main objectives of the emergency program are to solve the indebtedness problem through the rescheduling of up to 30 percent of the total domestic debts, and to sell newly built uninhabited houses.

A large part of the available credit resources have been allocated for those purposes. However, it should be understood that these resources are limited since they depend, in the first place, on the resources the Chileans themselves are willing to grant through the increase of savings; in the second place, on the loans that the rest of the world is willing to grant us; and, in the third place, on the international reserves which the country may yield without jeopardizing its foreign trade.

The creation of more credits can only deceive people by creating more inflation with the subsequent reduction of their real salaries and the state losing more reserves than estimated. The fulfillment of the objectives set by the government regarding the loss of reserves and the consequent expansion of internal credit -- considering the volume of the foreign loans to be obtained -- is the only way to fulfill the different stages in the appropriate order and to reestablish the necessary confidence to reactivate the economy.

There will be no economic reactivation without external resources and these resources will not be available if the set objectives are not fulfilled.

According to the latest available indicators and projections for these indicators, our economy is beginning to emerge. Moreover, the road to recovery is perfectly determined by the previously described stages; therefore it would be inappropriate to risk the fulfillment of this process.

The international banks have reacted favorably to our economic strategy and our agreement with the IMF. These elements have strengthened the Chilean plan aimed at reorganizing part of its foreign debt by obtaining additional long-range resources and increasing the short-range credits. In this regard, our declarations of optimism -- after visiting the most important U.S., European, and Asian banks -- are realistic, because they are based on the support given to our policies and on positive financial commitments.

In this regard, I can point out tonight that despite the recent visits and contacts with approximately 600 creditor banks of Chile, we have already received the support of many banks which have committed more than two thirds of new medium- and long-range credits for the $1.3 billion we have requested.

In the case of the banks which offered us short-range credits -- in its proposal Chile requested up to $1.2 billion -- I am pleased to say that, by yesterday, the banks had agreed to grant $1.3 billion, which is a greater amount than requested by our country. These commercial credits will allow us to normalize and then increase our foreign trade.

I would like to use this favorable international reaction as a reference to point out that the basic element which motivated the foreign banks was our clear economic policy and our proven determination to fulfill our programs and agreements even at the risk of bearing general sacrifices; sacrifices which the officials are first to regret. Because of this, it was possible to get the aforementioned foreign support, and we can look to the future with optimism.

There is, however, a dissociating internal atmosphere, fed by rumors and falsehoods, in which some would deny us the recognition for what I have described, pointing out that the country has given guarantees not usually required, or that it could have obtained much better terms in the negotiations. In this regard I emphatically declare that, although we were initially asked for gold guarantees from the Central Bank to back up the bridge loan being granted to our country until the negotiations were finished, that guarantee was not requested and the loan referred to was obtained without it. Other countries have given that guarantee. I must point out that, since I am responsible for Chilean public financing, I believe that one of the precise purposes of storing gold is for the use as a guarantee in emergency situations. In any case, it was not necessary to resort to that measure.

Fortunately, the criticisms that other nations have obtained more favorable terms in their debt renegotiations have ceased. First of all, the terms, interest rates, and commissions affecting our renegotiation are in general at the most favorable level among the group of countries who have to go through this process. Second, the payment of these commissions to the international banks is normal; and this is how Mexico, Brazil, Costa Rica, Cuba, Peru, and Uruguay have promised to pay the refinancing of their foreign debt.

It should also be emphasized that Chile was able to get new financing at 1.25 percent of its financial credits currently in force. This figure is substantially higher than the 7 percent which is the average for other countries which have negotiated their foreign debt.

And finally, I would like to say clearly that the state guarantee -- subject to the passage of an appropriate draft law - will only cover the new medium - and long-range credits of $1.3 billion granted to the Central Bank; the refinancing of the payments of the 1983 and 1984 foreign debt granted to the financial system, which is reasonable because these payments were extended to an 8-year term with 4 years of grace; and the new short-range commercial credit which is extended for the same term of 2 years to the financial system. The debts contracted directly by private enterprises do not have the guarantee of the state.

The fact is that the renegotiation solves the very serious problem of external financing which confronted us. It should be recalled that foreign credit has been practically absent in our financial markets since late last year. This created the unusual situation in which the country, with a great need to reactivate its economy, was repaying dollars abroad. The net flow of credits in 1982 dropped to approximately $3.5 billion, a drop which, to a great extent, was responsible for the decline of the GDP. The renegotiation, in turn, allows us to have in our hands, in 1983, $1.1 billion on which no amortization will have to be paid this year; $1.3 billion in additional medium- and long-term credits; more than $200 million in new short-term credits; and approximately $600 million in loans from the standby agreement with the IMF.

The most important achievement, then, has been the satisfactory solution of the foreign financing problem that has been afflicting our country, and the achievement of additional resources at an amount substantially higher than that of last year.

The second achievement to be pointed out is that of having designed the renegotiation of the foreign debts in terms which are already known to the country. Up to a few weeks ago it had been said that very few debtors would be benefitted by this system. Today I can say that a substantial number of debtors have resorted to the banks, and the number is growing. Given the national custom of leaving transactions to the last moment, the debtors are urged to go to the banks as soon as possible, because the deadline established by the Central Bank to receive renegotiation requests ends on 30 June and it will not be extended. Resources which are not used by beneficiaries of the renegotiation will be directed, after that date, as originally agreed upon, toward helping those with larger debts, who have not yet received this kind of support. Debtors who do not renegotiate will later be subject to the general norms on collection of overdue credits, should they not meet these norms.

As has been recently reported, the government has been studying a solution for those persons who have acquired housing mortages in monetary units [housing price units known as unidades de fomento --UF -- which are indexed to the consumer price index] . In this regard I must note that recent developments in the international economy, which have yielded better incomes from our copper exports and more taxes, have enabled us to issue a subsidy that, without altering the monetary unit mechanism -- something that is essential in order to maintain the reliability of the credit mortgage system -- will allow us to grant certain facilities to these debtors.

The following solution has been adopted:

1. There will be a decrease in the installments on only one house for those who owe mortgages in monetary units to banks, financing institutions, the National Savings and Loan Association and the social welfare system in the following manner: by 40 percent for a period of 12 months; 30 percent during the second year; 20 percent during the third year and 10 percent during the fourth year. In the fifth year, the buyer will pay 100 percent of the installment.

2. A loan will be granted to those who owe mortgage installments expressed in monetary units or in a salary scale index in order to normalize their situation. This loan is to be paid back at the maturity date of the original mortgage credit. This loan, which will be granted at a real annual interest rate of 8 percent, will also include the aforementioned decrease in the installments.

These measures will be implemented as of 1 July 1983.

The government believes that once it has solved the problem of its supply of domestic and foreign resources, the measures taken are definitely the most it can do to solve the problem of domestic indebtness. This does not mean that should the international financial situation improve and the foreign interest rates drop, that the institutions which operate in the capital markets, availing themselves of their contractual freedom, may not grant credits on better conditions to their various kind of debtors. However, the best thing the government can do is to create general economic conditions which will allow the best development of the economic agents, and this is what it is doing.

Therefore, government operations henceforth will be aimed at strengthening economic recovery. Since a slight growth in domestic production is expected for the entire year, it means that a larger recovery, as compared to the previous months, will take place in the coming months. The director of the national statistics institute has just disclosed encouraging figures on the unemployment rate. At the same time, the consumer price index has remained reasonably stable and tax payments continue to be carried out normally, which means that the fiscal budget should not suffer any unexpected imbalance.

It should be pointed out that Chile, contrary to other countries, enjoys a basically sound fiscal and monetary structure, while at the same time exhibiting a surprising impetus to export. Let us recall that according to government expectations, in October 1982, Chile was to have a $600 million surplus in its balance of trade by 1983; but this estimate has had to be constantly revised upward, and the last predict ion forecasts a trade balance surplus of $1.2 billion.

To those who maintain that the overall dollar income on exports has dropped and that the surplus will only be attained by reducing imports, I must remind you that although the prices of our exports have not recovered, the amounts have invariably increased. In the case of fruit and cellulose the rate has been incredible.

After having overcome the most troublesome aspects of the foreign debt problems and having granted as much sound financial assistance as possible, the government immediately turned to improving, as soon as possible, the levels of employment, reactivating production and preventing a further deterioration of real salaries and wages.

First of all, I would like to announce tonight that the Government Junta has received for its consideration a draft law authorizing the use of 4.5 billion pesos to start programs of public construction, housing, routine expenditures, and new investments on health. These resources will be provided from the largest sectors of the fiscal budget.

Second, I would like to point out that it has been decided to extend until 31 December 1983 and to increase from 1,200 pesos to 2,000 pesos the subsidy for contracting additional labor. This subsidy will be implemented as soon as the draft law is approved.

And finally, the president has submitted a draft law granting a salary readjustment for public employees and for workers who are not involved in collective negotiations. This salary readjustment will be 5 percent and will go into effect next July; but the bonuses established for September and November will remain unchanged. This represents an expenditure of 4.4 billion pesos for the rest of this year.

In conclusion, the executive branch has decided to submit to the Government Junta a draft law expanding the legal reserves. This represents a factor of stability for the savings and loan financial market.

Ladies and Gentlemen: I would like to conclude by reiterating to you the government's faith in the fulfillment of the proposed economic goals. Officials do not believe they are the sole bearers of the truth, but there are certain facts pertinent to the domestic and international situation -- a situation which has been studied and discussed with some frivolity by some critics of the government administration. From our position of responsibility we have calmly studied their proposals and prescriptions and we must honestly say that while proposals may bring some temporary relief to our population, in the long run they would create situations definitely more painful than the current one, and would also put an end to Chile's deserved prestige as a serious country which fulfills its commitments. In another aspect, the feeling we got directly from the World Bank financial experts and international organizations is that Chile has a prominent position among the developing countries with regard to its reliability and its search for permanent solutions to its economic and financial problems. This is undoubtedly a prestige which sooner or later will benefit all Chileans.

Moreover, this image we project abroad must go along with out conduct as citizens. This conduct must be based on responsibility in fulfilling our contracted commitments, on sound judgment for making expenditures, on realism to appreciate situations, and on a spirit of cooperation, so that government economic measures can function with greater success. In sum, there are now more reasons for working with faith and optimism to create goods and services, because the country is beginning a slow but sustained reactivation, and also because the solution to the crucial problems -- problems which only a few months ago made some people make apocalyptic predictions -- allows us to say that we are coming out ahead and that we will continue to do so. An economic model which respects the people's self determination and freedom to choose will again give us the results we got prior to the international financial crisis.

Conditions are beginning to prevail for the immediate future to be better than the present. The only thing needed is a decisive contribution of good will from all Chileans. If this will and tenacity prevails, the country will find itself once again on its most appropriate path; the path of progress Chile deserves. Thank you very much. Good night.

CP FIGURE HOLDS BERLIN PRESS CONFERENCE

LD132321 East Berlin ADN International Service in German 1616 GMT 13 Jun 83

[Text] Berlin, 13 Jun (ADN) -- The struggle of the Chilean people to regain their democratic rights has achieved a new quality in recent times. This was noted by Volodia Teitelboim, member of the Political Commission of the Chilean Communist Party, on Monday at a press conference in Berlin. Not only the workers and the poverty-stricken of the cities participate in acts of resistance. Growing numbers from the bourgeois circles which supported the September 1973 coup are protesting against the Pinochet dictatorship.

The first national protest action of 11 May of this year expressed the extent of the discontent and the numerous forms of struggle of the trade unions, the political parties and broad circles of the opposition. The Pinochet regime is increasing its ruthless terror against the population. A fascist party, the "Civil Military Movement," was founded just recently.

The Chilean people are using all different forms of struggle, Volodia Teitelboim said. In spite of terrible persecution and the internment of thousands of patriots in concentration camps, they are determined to fight until the downfall of the hated military regime. The growing unity of all the opponents of the dictatorship is a decisive weapon of resistance.

The politician thanked the SED, the government, and all the GDR citizens for the support which they have given since the coup. The people of Chile require international solidarity now more than ever.

POLICE INTERROGATE UDT REGIONAL LEADER

PY141801 Santiago EL MERCURIO in Spanish 10 Jun 83 p C3

[By Julio Arroyo Huhn]

[Excerpt] Concepcion -- Yesterday Ramon Arredondo Fierro, national leader of port workers and regional president of the Democratic Union of Workers (UDT), was interrogated for nearly 6 hours at the Talcahuano Second Police Precinct, and accused distributing pamphlets. He was released by order of the Regional Intendancy.

HEAVY RAINS CAUSE DAMAGE IN NORTHERN REGION

PY132355 Madrid EFE in Spanish 0339 GMT 13 Jun 83

[Text] Santiago, 12 Jun (EFE) -- The El Loa region, in Northern Chile, has been declared an emergency zone after heavy driving rains and hail affected a total of 15,000 people.

A heavy and unusual rain fell on that region and affected mainly the population of Chuquicamata and Calama, 1,600 kilometers from Santiago, as well as regions close to the Andean mountains.

According to preliminary information provided by the Carabineros, approximately 5,000 families had to leave their homes because they were either inundated or caved in due to the poor quality of construction material. Most of these houses were located in the outlying areas of town.

In Chuquicamata, dozens of families had to be taken to clubs and social installations where they are now housed. Several roads in the region were cut off by flood waters or land slides. In Tocopilla, nearly 200 families lost their homes and belongings, and they are now housed in local school buildings.

The rains also affected production at the Chuquicamata open pit copper mine -- the largest in the world -- where heavy trucks transporting material were unable to move.

BRIEFS

UNEMPLOYMENT IN SANTIAGO -- Santiago, 3 Jun (AFP) -- Today the National Statistics Institute (INE) reported that unemployment in Santiago totaled 19.6 percent during May as compared to 20.1 percent during April. [Summary] [Paris AFP in Spanish 0230 GMT 4 Jun 83 PY]

M-19'S BATEMAN MISSING; RUMORS CIRCULATING

PA141801 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 14 Jun 83

[Text] Bogota -- There are many rumors about the current whereabouts of M-19 ideologist Jaime Bateman Cayon and the changes that are taking place in the organization's top echelons. Thus far, there is no reliable information on this issue.

As for Bateman Cayon's fate, different stories are circulating, including some to the effect that he died in the crash of a small airplane; identification No HK2139. The airplane was being flown by former parliamentary member Antonio Escobar Bravo toward Panama on 27 April. Another high-ranking M-19 member was also reportedly on board.

However, it has also been reported that Bateman is under arrest in Panama. Meanwhile, other sources say that he is in another country, presumably buying weapons for the guerrilla movement. Still others indicate that he escaped from the organization with several million pesos.

EPL DISAPPROVES M-19, FARC AMNESTY REFUGE

PA141511 Hamburg DPA in Spanish 2341 GMT 13 Jun 83

[Excerpts] Bogota, 13 Jun (DPA) -- A sharp division has begun to emerge within the ranks of the Colombian guerrillas following a strong stance taken by the Popular Liberation Army (EPL) on the surrender of several members of the Revolutionary Armed Forces of Colombia (FARC) and the 19 April Movement (M-19), who sought refuge under the amnesty law offered by President Belisario Betancur.

In a bulletin sent to various media, the EPL warns that this position goes against Moscow's orders to try to unite all subversive groups operating in Colombia in the near future. The EPL categorically asserts in its message that it does not agree, under any circumstances, with the amnesty terms and the way in which some M-19 and FARC guerrillas are turning themselves in and seeking refuge. The communique states that "the EPL is wary of FARC surrenders which are taking place despite recent orders from Moscow to seek the unification of all guerrilla groups in the country."

Recently, the Colombian Army found a series of documents that contained an order from Moscow to unify all subversive forces, which would then create a so-called "Independent Republic of the Amazon" in future. The EPL, a Maoist-oriented group, maintains that it has never suggested a dialogue with the government in 15 years of struggle because "one must give the enemy no quarter." Meanwhile, the Army of National Liberation (ELN) is also going through a crisis. Some months ago, it hired a Uruguayan mercenary, Cesar Wilder Da Silva, to organize its fighting forces. According to reports, the Uruguayan was associated with the M-19 at the time.

DEPUTY, OTHERS TO ATTEND PRAGUE PEACE CONFERENCE

PY142204 Lima Domestic Service in Spanish 1100 GMT 14 Jun 83

[Excerpt] Peruvian politicians, intellectuals and labor leaders will attend the World Assembly for Peace and Life, Against Nuclear War to be held in Prague. Deputy Carlos Roca refers to the significance of this conference.

[Begin Roca recording] A group of Peruvian citizens and I will attend the World Assembly for Peace and Life, Against Nuclear War to be held in Prague from 21 to 26 June 1983. A group of political leaders, intellectuals and journalists will attend the conference where issues connected with world peace will be addressed. [end recording]

JAPAN SUSPENDS CREDIT FOR CERRO VERDE MINE

PY142320 Paris AFP in Spanish 2344 GMT 13 Jun 83

[Text] Lima, 13 Jun (AFP) -- Carlos Rodriguez Pastor, Peruvian economy and finance minister, has announced here today that the suspension of the second phase of the Cerro Verde copper mine is due to Japan's decision to suspend a credit line that had been offered for that project. He stated that Japan had offered a $120-million credit for the project, but that it was called off until Peru reaches a settlement with its foreign creditors at the Paris Club meeting to be held in July.

Cerro Verde is a copper mine located 900 kilometers south of Lima. It is currently producing high-grade copper through a leaching process, but the project's second phase should allow for recovery of the metal by conventional methods.

The minister made these statements at the swearing in of the new deputy economy minister, Luis Montero.

CANADA TO FINANCE HYDROELECTRIC PLANT IN JUNGLE

PY142324 Paris AFP in Spanish 0208 GMT 14 Jun 83

[Text] Lima, 13 Jun (AFP) -- An agreement by which Canada is to supply 2 million Canadian dollars for the construction of a hydroelectric powerplant in Peru's Amazon jungle was signed here today.

According to this agreement, signed at the Canadian Embassy, the Canadian Agency for International Development will finance the services provided by consulting companies of that country, which will conduct the feasibility surveys of the El Sauce hydroelectric powerplant, approximately 800 kilometers northeast of Lima.

The agreement was signed within the framework of the technical cooperation accord which the two governments signed in November 1973. Some 1.23 Canadian dollars equal $1.

SEPULVEDA, STONE MEET, DISCUSS C.A. CONFLICT

FL141500 Mexico City NOTIMEX in Spanish 0440 GMT 14 Jun 83

[Text] Mexico, 13 Jun (NOTIMEX) -- Mexico's secretary of foreign relations, Bernardo Sepulveda, today classified as urgent the need to avoid what could be imminent war in Central America following recent occurrences in the area. During his meeting with special U.S. Ambassador for Central American Affairs Richard Stone, the Mexican foreign minister also pointed out the need to encourage peaceful conditions among Central American countries.

To create that atmosphere, according to Sepulveda, [stopping] the arms race is necessary, as are urgent negotiations on the principal political and security problems identified within the framework of the Contadora Group meetings. Sepulveda Amor emphasized the importance of fulfilling the economic and social requirements for regional development, the postponement of which constitutes one of the principal causes of social upheaval in the area.

Ambassador Stone expressed the support of the United States for the negotiations carried out by the so-called Contadora Group, which includes the foreign ministers of Venezuela, Colombia, Panama, and Mexico. Stone pointed out that this is the only way to find a peaceful solution in Central America and said that his mission is to determine the views of the countries involved and of countries like Mexico that want to establish a climate of peace and security in the region.

In Mexico, Ambassador Stone is concluding a 10-nation Latin American tour, the object of which is to learn in detail the positions of the countries involved in the conflict as well as to acquire more information about the peace proposals of the Constadora Group members.

Ambassador Stone met this afternoon for half an hour with President Miguel de la Madrid, with whom he discussed the Central American problem, according to the spokesman of the Presidency of the Republic. The U.S. diplomat will leave tomorrow, Tuesday, to return to his country.

FDR's Ungo Comments

PA150220 Madrid EFE in Spanish 2133 GMT 14 Jun 83

[By Alfonso Guezada]

[Excerpts] Mexico, 13 Jun (EFE) -- Salvadoran opposition leader Guillermo Ungo said in this capital that it will be necessary to analyze all of Stone's activities, and added that "we must know if the United States is truly interested in a dialogue or if it is only interested in keeping up appearances." Ungo, who is president of the FMLN of El Salvador, said that Central America is currently experiencing the most dangerous situation in its entire history. He noted that the front he heads fully support the initiative of the "Contadora Group" because it feels that the group is headed in the right direction, but admitted that it is not the final option.

FDR-FMLN COMMISSION AIRS STAND ON PEACE TALKS

PA142246 Mexico City EL NACIONAL in Spanish 10 Jun 83 Section 3 p 10

[Excerpts] Members of the FDR-FMLN Political-Diplomatic Commission have praised the efforts of the Contadora foreign ministers during a news conference. They urged, however, that their struggle for peace in Central America cover the cause of the Salvadoran people and not just that of Nicaragua. They also reasserted their determination to go on struggling until they achieve El Salvador's independence and said that the advance of the insurgents, which is unstoppable, and the support of international public opinion, including that of the U.S. people, will sway the warmongering attitude of the Reagan administration, which is supporting the unjust Salvadoran regime.

Ruben Zamora, Hector Oqueli, Mario Aguinada, and Oscar Acevedo, members of the commission, made the statement upon announcing their five-point proposal for a political solution to the Salvadoran crisis at the offices of the Association of Foreign Correspondents [Asociacion de Corresponsales Extranjeros]. They reviewed their country's situation and agreed that the balance of the war is tilting toward the insurgent movement. They added that the Salvadoran Army is facing a serious command crisis and that the strength of the FDR-FMLN is growing because of the arms the United States supplies to the Salvadoran Army. They disclosed that from January to May this year the Army suffered 2,600 casualties; 1,631 rifles, 88 support weapons, and a large quantity of ammunition have been seized; and 822 prisoners have been taken.

They rejected any negotiations that ignore the FDR-FMLN coalition, whose policy of dialogue continues in effect. They said: "We propose a process of negotiation aimed at making real negotiation viable between the insurgent forces and the U.S. and Salvadoran Governments, a process which must be carried out within the framework of a trustworthy forum composed of governments which now maintain a well-known and active position in favor of a political solution to our conflict."

Regarding Richard Stone, President Reagan's special envoy to Central America, they said that he represents one of the parties that are directly involved in the war in El Salvador and is not a mediator. They added that "the Reagan administration's growing control over the decisions of the Salvadoran regime makes the United States Government a belligerent party in direct opposition to the FDR-FMLN."

Finally, they said, "we insist that the original proposals of the Contadora Group are a realistic and objective basis to achieve peace in El Salvador, and the forum it represents can be the proper venue to move on with this process. [quote marks as published]

ANSELMO SULE ON SOCIALIST INTERNATIONAL MEETING

FL141900 Mexico City NOTIMEX in Spanish 0235 GMT 14 Jun 83

[Text] Mexico, 13 Jun (NOTIMEX) -- The Latin American vice presidents of Socialist International will meet tomorrow in this capital to analyze the serious situation that Central America is facing, Anselmo Sule, vice president of that organization said today. He said that Carlos Andres Perez, former president of Venezuela; Guillermo Ungo, of the Democratic Front of El Salvador; Michael Manley, former prime minister of Jamaica; and Francisco Pena Gomez, member of the Dominican Revolutionary Party, would participate in the meeting.

Moreover, Sule said that the members of the Socialist International would meet with representatives of the Institutional Revolutionary Party (PRI) and with functionaries of President Miguel de la Madrid, including the secretary of foreign relations, Supulveda Amor.

Some observers do not discount the possibility that members of the Socialist International would try to meet with U.S. Ambassador for Central American Affairs Richard Stone, who is in Mexico completing a trip through the countries of the area.

17 TO 39 PERCENT WAGE HIKES SETTLE SEVEN STRIKES

FL141555 Mexico City NOTIMEX in Spanish 2350 GMT 13 Jun 83

[Text] Mexico City, 13 Jun (NOTIMEX) -- The Secretariat of Labor and Social Welfare announced today that seven labor strikes had been settled through wage increases ranging from 17 to 39 percent. The 6,000 workers of the tire industry ended the strike started on 9 June after accepting a wage increase of 17 percent. The lime and ferrous alloy workers received wage increases of 25 and 12 percent, respectively, thus ending their strikes.

Similarly, the National Trade Union of the Fishing Industry accepted a wage adjustment of 15.6 percent retroactive to 1 June, thereby heading off strikes by Tepepan, Mexican Fish Products, and Guerrero Fish Products enterprises set for 15 June.

The Marriot Inflic [as received] enterprise decided to give its workers a 39 percent wage increase, settling a strike which had been set for 15 June.

PEMEX RESISTS JAPANESE OIL PRICE PRESSURE

PA132205 Mexico City EXCELSIOR in Spanish 8 Jun 83 p 4A

[Text] Francisco Labastida Ochoa, secretary of energy, mines and semistate industry, said yesterday that Mexico will not reduce its petroleum price despite pressure from the Japanese. At the same time, a PEMEX spokesman referred to the Japanese position in the same terms and indicated that the Japanese want to receive special treatment.

Labastida Ochoa said that Mexico has requests from various countries for the supply of hundreds of thousands of barrels but cannot meet these requests at this time due to previous commitments. He indicated that if the Japanese do not want to pay the price of $29 a barrel for Isthmian crude and $23 a barrel for Mayan crude, the hydrocarbons that they reject will be sent to other countries that have requested supplies.

He confirmed that the production ceiling of 2.75 million barrels of petroleum a day and the export ceiling of 1.5 million barrels a day will be maintained.

MINISTER CABRIZAS SPEAKS AT BELGRADE UNCTAD

For a 10 June Mexico City EL NACIONAL report on the speech of Foreign Trade Minister Ricardo Cabrizas Ruiz to the Sixth UNCTAD Session currently being held in Belgrade, see the Yugoslavia section of the 15 June Eastern Europe DAILY REPORT.

EL SALVADOR

FDR'S UNGO ON EFFORTS TO ACHIEVE PEACE

PA131605 Managua Radio Sandino Network in Spanish 1200 GMT 13 Jun 83

[Text] The six vice presidents of the Socialist International will again analyze the Nicaraguan and Salvadoran situations in an attempt to reach a consensus. So said Companero Guillermo Ungo, president of El Salvador's FDR, who met this weekend with Commander Bayardo Arce, coordinator of the FSLN political committee. The Socialist International meeting will be held next week in Mexico.

Ungo, one of the six vice presidents of the Socialist International, added that at the meeting in Mexico the efforts of this social democratic political organization on behalf of peace in the Central American region will be reviewed. The Salvadoran leader asserted that the Central American problems have common factors, but that each country has its own realities requiring different treatment. He also added that the organizations fighting in El Salvador, the FDR and the FMLN, are watching the Washington stance, which favors an intensification of the military strategy seen in Honduras and in the rest of the zone.

Ungo said it remains to be seen if there will be positive results from the tours of Richard Stone, Reagan's special envoy to Central America, and of the members of the Contadora Group, which seeks a peaceful solution to the regional crisis.

HAVANA REPORTS 'FAILURE' OF GOVERNMENT OPERATION

PA132043 Havana International Service in Spanish 1600 GMT 13 Jun 83

[Text] The FMLN has termed one of its greatest military victories that achieved during the past few hours over the Salvadoran dictatorship's special Atlacatl Battalion, on (Cerro El Fuego), Morazan Department.

The rebel station Radio Venceremos reported that soldiers of this special battalion fled in every direction after 48 hours of fierce clashes, where more than 80 soldiers were shot down and 3 were made prisoner. The station added that the guerrillas used large caliber cannons and machineguns against the Army, and their fire damaged a U.S.-made Huey helicopter.

Other reports reveal that the gigantic counterinsurgent operation launched by the regime against rebel positions in Chinchontepec Volcano, San Vicente Department, ended in the most complete failure.

The efforts of over 6,000 soldiers, supported by airplanes, helicopters and large caliber artillery, were completely useless because a vast majority of the guerrilla forces had moved to other combat areas. It is reported that when the Army advanced, it only found empty camps.

More on Army Offensive

FL141341 Havana Domestic Television Service in Spanish 1100 GMT 14 Jun 83

[Text] The FMLN has charged that the military offensive launched last week by the Salvadoran Army is designed to implement a genocidal plot against the civilian population.

The rebel station Radio Farabundo Marti noted that government forces seek to dislodge the insurgents from San Vicente Province to implement a plan similar to those implemented by the United States in Vietnamese rural populations.

The Army, the station said, will shell areas where helpless civilians are living in its attempt to find guerrilla fighters and then will implement health, food and public work projects to create the illusion that the government is helping those very people whose relatives government forces had either killed or left handicapped.

The offensive which began on Thursday had its first setback in the Chichontepec volcano area. More than 6,000 soldiers had been dispatched to that area to find only empty camps since the guerrilla fighters had already moved onto other battlegrounds in the same province.

FMLN SAYS U.S. ADVISERS TAKE PART IN OPERATIONS

PA140438 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 14 Jun 83

[Text] The current operation that the dictatorship began in the Anastasio Aquino Paracentral Front on Chinchontepec Volcano on 9 June is supposed to be a response to the blows the enemy received in San Vicente department recently.

Our most recent blows in (Quebrada Chica), the annihilation in San Antonio Caminos at the same time the enemy operation was beginning, and the increasing development of our forces are the reasons for this enemy operation.

In addition, the enemy is afraid of losing strategic control over the Coastal and Pan-American Highways (?which cross) the country and are a means of communications controlled, to a great extent, by our forces with the destruction of many bridges, thus cutting road communications between eastern and central El Salvador.

Furthermore, this operation is a result of the plan for the restoration of areas described by General Vides Casanova [passage indistinct] in Morazan, Cuzcatlan, Cabanas, San Vicente, and others areas of the country. In other words, the dictatorship is trying to put on a propaganda show with the idea of lifting the morale of the most affected troops in this Paracentral Front; the forces of the 5th Brigade of the Armed Forces' Engineers Training Center. The airborne battalion and the [name indistinct] artillery battalion are also participating in this operation. The Ramon Belloso and the Cazadores Battalions are participating partially.

So far the people of San Vicente have witnessed the presence of more than 10 U.S. adivsers with all their assistants and necessary equipment in this Paracentral Front. These advisers are directly and constantly participating in the operations [words indistinct] sporadic fighting in Cayetana near the foothill of Chinchontepec volcano, where we inflicted (?two) casualties on the enemy.

At 1830 on that same day, we opened limited fire with a 31-mm mortar on a group of artillery forces located in the backyard of Jiboa sugar mill. We confused the enemy troops, disorganized them, and inflicted several casualties. We killed a corporal and wounded two national guardsmen. This same operation was repeated at 2130 on the same day, and we hit the target again.

At 0200 on Sunday, companeros of the revolutionary armed forces began a limited attack on the National Guard in Tecoluca and on national guardsmen who are protecting a CEL [Lempa River Hydroelectric Executive Commission] station. This attack lasted an hour. So far we have inflicted five casualties on the enemy; one dead and four wounded.

The Air Force has been involved in constant bombing and strafing operations against civilians. We have sutained no casualties. These are reports that have arrived at Radio Venceremos from the Anastasio Aquino Paracentral Front.

RADIO FARABUNDO MARTI REPORTS FMLN ACTIVITIES

Magana 'Opposition' To Dialogue

PA140447 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 14 Jun 83

[Text] In obvious opposition to the dialogue proposed by the FMLN and FDR as an appropriate means to stop our people's suffering, Magana has reiterated that the elections ordered by Reagan are the only solution. In an attitude that is insulting to the Salvadoran people, Magana said that he did not know the details of the FMLN-FDR proposal; that he had not analyzed it; but that the only solution was still the elections.

But our people reject the electoral farce.

Peace Commission Questioned

PA141527 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 14 Jun 83

[Text] Sooner or later, the U.S. Government must admit to its defeat in Central America. U.S. Special Ambassador Richard Stone is preparing to return to the United States, and there is no indication that Reagan's government has proposed acceptable, just and dignified solutions to the Central American conflicts. Reagan's government consistently undermines its own efforts.

As FDR President Guillermo Manuel Ungo recently said, events indicate that the United States is extending its military strategy in the Central American area at the same time that its peace emissary is touring the region.

The Reagan administration is trying to ignore the initiatives for dialogue presented by our FMLN-FDR fronts, sticking instead to its absurd proposals, which disregard the situation prevailing in the country. One of the proposals on which the Reagan administration stubbornly insists refers to talks with the so-called Peace Commission appointed by Alvaro Magana. This so-called Peace Commission has issued a public call for reflection and dialogue (?addressed) to the FDR.

In this context, we have been very clear in asking Alvaro Magana's government to define:

1. Whom does the Peace Commission represent, given that is is derived from a pact among the political parties? It is fitting to remember that one of those parties, the Nationalist Republican Alliance, Arena, has declared its categorical refusal to participate in dialogue with us. Therefore, does the Peace Commission represent all of the political parties? Does it represent the government? Just whom does the so-called Peace Commission represent?

2. What are the Peace Commission's functions? Is it an intermediary? Is it empowered to discuss and approve substantive agreements?

3. Does this Peace Commission represent a change in their policy [words indistinct], in view of our proposal for a dialogue?

A clear response to these questions is necessary if negotiations are to be initiated on solid foundations. The FMLN-FDR has presented a proposal for dialogue that is clear [words indistinct] justice and national independence for all Salvadorans. If Reagan tries to ignore it he will have failed, and Richard Stone will become a simple figurehead in the complex political panorama of our Central America.

GUATEMALA

GOVERNMENT REJECTS DIALOGUE WITH GUERRILLAS

PA141345 Panama City ACAN in Spanish 2254 GMT 13 Jun 83

[Text] The Guatemalan Government does not agree with one of the proposals conveyed by Richard Stone, U.S. special envoy for Central America, concerning the "advocation of a domestic dialogue with the subversives."

This statement was made today by Guatemalan Foreign Minister Eduardo Castillo Arriola when referring to the visit made by President Ronald Reagan's special envoy to Central America over the weekend. Castillo Arriola said at a press conference today that he had expressed his doubts to Stone as to the advisability of a dialogue between Guatemala and the guerrilla groups, as advocated by the United States, in that it implies that an agreement should be reached with the guerrillas and that "power should be shared by the government and the armed subversives."

"If this is the case," the foreign minister said, "it would constitute a violation of all international legal rules governing the structure of states and would be a major departure from the international legal order." The foreign minister added: "I told Stone that this kind of dialogue is not viable, significant or necessary for Guatemala, particularly as subversion here has been defeated and has largely disappeared."

He explained that, as a result, "a dialogue with the subversives is out of the question in Guatemala." He also pointed out that a political opening involving "free participation" exists, guaranteeing that a dialogue will be established.

Lastly, the foreign minister declared that Stone's mission in the area can "contribute positively" to the search for solutions to current problems, and rejected the ideas that the U.S. special envoy's mission in Central America might be seen as "interventionist."

UNITY FRONT LEADER CRITICIZES RIOS MONTT

PA140308 Guatemala City DIARIO EL GRAFICO in Spanish 13 Jun 83 p 22

[Text] Guatemala City, 12 Jun -- "During the 1 year, 2 months and 16 days that he has been in office, Gen Efrain Rios Montt has undoubtedly been wrongly advised, because opposition to him has opened on many fronts," Gabriel Giron, secretary general of the National Unity Front, FUN, has said.

The political leader said: From the beginning, Gen Efrain Rios Montt spoke badly about politicians and preached to the citizens. He had subsequently spoken about the U.S. Government in an undiplomatic manner. He has not given the production and business sectors the incentives needed for their development, and this has created discontent. Foreign policy has been unwise since the dean of the diplomatic corps at the Holy See was removed. In the military sector, civilians, workers, peasants, and even professionals have been forced to form civil self-defense patrols involved in night duty. Giron added: "Gen Jose Guillermo Echeverria Vielman's open letter, and the reaction of the political, religious, production, and commercial sectors are criticisms of the Gen Efrain Rios Montt government."

Lastly, he indicated that in the taxation sector, the government is trying to promote a change at an inauspicious time and only government officials are obligated to approve the reforms. The various professional associations and the commercial, production and social sectors have protested the reforms, arguing that tax reforms must be adopted by a constitutional government.

SOCIAL DEMOCRATS OPPOSE BASE IN HONDURAS

PA140230 Guatemala City DIARIO EL GRAFICO in Spanish 13 Jun 83 p 22

[Text] The leaders of the Social Democratic Party have stated through their press department that they view the plan to install a new base in the Caribbean and Central American area, specifically in Honduras, as negative. There are already enough bases, they said, with those in Panama and Guantanamo. They said that this will increase tensions in the area.

HONDURAS

COMMUNIQUE ISSUED ON ARRIVAL OF U.S. TROOPS

PA141627 Tegucigalpa Cadena Audio Video in Spanish 1537 GMT 14 Jun 83

[Communqiue issued by the Honduran Armed Forces Public Relations Office in Tegucigalpa on 13 June 1983 -- read by announcer]

[Text] The Honduran Armed Forces report to the citizens that tomorrow, Tuesday, 14 June, the military transportation ship USS Lemore County will arrive in our country bearing over 100 U.S. Army military instructors.

The U.S. military advisers will collaborate with the Honduran Army in installing a military and security training center for Honduras instructors, in accordance with the terms that have been agreed upon by the Governments of Honduras and the United States.

AMBASSADOR DENIES BRITISH TROOPS IN EL SALVADOR

PA142150 Panama City ACAN in Spanish 2051 GMT 14 Jun 83

[Text] Tegucigalpa, 14 Jun (ACAN-EFE) -- Colum Sharkey, Great Britain's ambassador to Honduras, said here today that there are no British troops in El Salvador to defend Alvaro Magana's regime. He was denying a statement by a British politician who said that British troops stationed in Belize were sent to El Salvador to help the Salvadoran Army against the leftist guerrillas.

"This British politician is absolutely wrong, since there is no relation between the troops in Belize and the Salvadoran problem," Sharkey pointed out. Sharkey added that the British troops arrived in Belize at the request of Prime Minister George Price to cooperate in the territorial security of the new country.

Sharkey refused to comment on possible British Government participation in case of an armed conflict between Honduras and Nicaragua, "because that is just supposition and the answer would also be hypothetical." Sharkey said, however, that Margaret Thatcher's government "will support the Central American countries with democratic governments, because it wants peace and security in the region."

PINU CALLS OPPOSITION PARTIES TO UNITY

PA141733 San Pedro Sula TIEMPO in Spanish 13 Jun 83 p 2

[Excerpt] San Pedro Sula -- None of the three opposition parties has answered the call made by PINU [The Innovation and Unity Party] to create a broad opposition front. The proposal was made by Professor Miguel Angel Pavon, PINU president in this department. According to him, it is the most important task for the parties, which would not stand a chance otherwise of creating an opposition bloc.

Pavon indicated that "prior to the creation of the bloc, a national assembly of the central, departmental and municipal boards of directors of the National Party, PINU, and the Honduran Christian Democratic Party would have to be held to establish the opposition's strategy and structure." One of the bloc's objectives would be to prevent the installation of a U.S. military base in our territory for the training of foreign troops.

NICARAGUA

MINISTRY FACILITATES VISITS BY U.S. CITIZENS

PA141423 Managua Domestic Service in Spanish 0300 GMT 14 Jun 83

[Text] The Foreign Ministry issued a press communique this evening on the consular requirements that must be satisfied by U.S. citizens who wish to visit our country. The revolutionary government is maintaining its open-door policy for citizens of the United States or of any other country who want to gain on-the-spot knowledge of the advances and achievements of the Nicaraguan people and their Sandinist revolution.

The Foreign Ministry communique states: The Nicaraguan Foreign Ministry wishes to inform the esteemed U.S. people that as a result of the arbitrary and unjust U.S. Government decision to close six Nicaraguan consulates in various U.S. states, this office has decided to issue immigration cards as auxiliary documents, replacing consular visas, so that there will be no interruption in the arrival of U.S. citizens who wish to come to Nicaragua. This immigration document will be available at travel agencies and airlines in the various U.S. ports of entry and departure. Carriers will be duly authorized to allow those with such a document to board.

The Nicaraguan Government, in line with its open-door policy, believes that this measure will meet the needs of the U.S. community, and once again reiterates its policy of friendship and solidarity with people who love peace and justice. [Date] Managua, 13 June 1983.

Havana Cites U.S. Visitors Cards

FL141509 Havana Domestic Television Service in Spanish 1100 GMT 14 Jun 83

[Text] Managua -- In view of the closure of six Nicaraguan consulates in the United States by the Reagan administration, Nicaragua has adopted measures to facilitate the entry into the country of U.S. citizens.

In a resolution, the Interior Ministry states that any U.S. citizen may visit Nicaragua by simply presenting a tourist card [tarjeta migratoria] which will be given to him by the company that takes him to the country or by tourist agencies.

The Interior Ministry makes it clear, however, that the card will not be good for U.S. Government officials, who will be required to obtain the appropriate visa from the Nicaraguan consulate in Washington. The Interior Ministry also noted that the U.S. decision to close the Nicaraguan consulates virtually prohibits U.S. citizens from visiting Nicaragua.

STATION COMMENTARY DECRIES U.S. 'REPRISALS'

PA112152 Managua Radio Sandino in Spanish 1830 GMT 11 Jun 83

[Editorial by Eligio Alvarez Montalbar: "Reagan Violates International and Other Rights by Expelling Nicaraguan Consuls, Taking Disproportionate Reprisals" -- read by announcer]

[Text] Even though White House spokesman Larry Speakes reportedly said 2 days ago that the North American government had no intention of taking further retaliatory steps against Nicaragua, after the closing of six Nicaraguan consulates in the United States, a branch of that same government -- the Civil Aeronautics Board -- yesterday ordered the cancellation of Aeronica's flights to North American territory.

To this must be added, according to reports published today by BARRICADA and EL NUEVO DIARIO, a number of humiliating and intimidating measures adopted by North American authorities that flagrantly violate the Vienna treaties on consular and diplomatic relations. Although it is true that every nation, in the exercise of its sovereign rights, has the power to take whatever steps it feels are advisable and timely in order to safeguard its national interests, it is no less true that relations between states and nations are regulated at the present time by supranational rights which, without undermining those sovereign rights, help strengthen international coexistence.

Such is the letter and spirit of bilateral and multilateral treaties among nations, including the Vienna Convention, and particularly the principles and postulates of the United Nations and the OAS which, for the sake of preserving peace and coexistence, establish universal principles that limit the exercise of sovereignty in some cases. In this case, and even though this is against the law of nations, the United States could exercise its sovereign rights and take reprisals against Nicaragua because of the expulsion of three of its diplomats. It is also true, however, that it should have adhered to the principle of proportionality, equity, and equivalence in all matters between states that maintain formal relations despite differences and conflicts, which are almost always inevitable.

Anything that tends to go beyond this point, anything tending toward the taking of disproportionate reprisals for political, economic or military reasons based on the law of force, as in this case, not only violates international law but reveals a deliberate attempt to attack another nation in order to destroy it.

SPANISH COMMUNIST LEADER ON 3-DAY VISIT

PA141457 Managua Domestic Service in Spanish 0300 GMT 14 Jun 83

[Text] Gerardo Iglesias, secretary general of the Spanish Communist Party [PCE], has declared in Managua that his party supports the Nicaraguan Revolutionary Government.

Iglesias is in Managua on a 3-day visit, accompanied by PCE Central Committee member Gregorio Lopez. In the past few hours, Iglesias has met with important political and labor leaders, as well as with the State Council's Foreign Affairs Committee.

The Spanish Communist leader condemned the Reagan administration's aggression against this country.

DELEGATION TO ATTEND PEACE MEETING IN CSSR

PA140340 Managua Radio Sandino in Spanish 1830 GMT 13 Jun 83

[Text] A large delegation made up of the presidency and members of the Assembly for Peace of the Nicaraguan Peace Committee, Conipaz, will participate in the world assembly for peace and life and against nuclear war that will he held in Prague, Czechoslovakia, on 21-26 June. This was announced in a news conference today by Commander Olga Aviles, president of Conipaz. She said that one of the main objectives of the delegation is to make known the current U.S. aggression against the Sandinist peoples revolution.

The delegation is led by Commander Olga Aviles and includes Companeros Roberto Arguello Hurtado, president of the Supreme Court, Reynaldo Antonio Tefel, minister-director of the Social Security Institute, Santis Suarez, Magda Enriquez, Yadira Centeno, Maritza Cordero, Manuel Eugarrios, Jose Luis Villavicencio, Fernando Saavedra, and others who make up the 17-member delegation that represents the mass organizations that are members of the Assembly for Peace. Commander Olga Aviles, president of Conipaz, provides further information on this:

[Begin recording] One of the things that we believe important is that 2,500 to 3,000 delegates will participate in this assembly, in which many important topics for peace at the Nicaraguan national level and at the international level will be discussed. The Nicaraguan participation in this world assembly is extremely important because in these difficult moments for our revolution due to the aggressions and imperialism's obstinate position against the development of the Sandinist peoples revolution, it gives us an opportunity to make known, explain and denounce the U.S. policy of aggression against Nicaragua and the Central American peoples. It gives us an opportunity to make known the Nicaraguan efforts and initiatives to achieve peace and to receive the assembly's solidarity with the Sandinist peoples revolution. [end recording]

VOICE OF SANDINO CLAIMS SANDINIST 'MASSACRE'

PA141437 (Clandestine) Voice of Sandino in Spanish to Nicaragua 0000 GMT 14 Jun 83

[Text] Last week, the shady and ominous state security organization brutally massacred defenseless Atlantic coast citizens who opposed interventionism in our fatherland.

Loretta Prudeau, a woman who cooperates with state security, is held responsible for the massacre. She is the sister of Natalie Predeau, hwo also assists the antipopular forces.

Those who were massacred were Pachita Wilson, Stanley Watsi, Hector, Marti, and Hayman. The incident occurred at Rio Grande; those who were killed came from Tasbapauni.

We have been informed that internationalist Cubans participated in the massacre of our Atlantic coast brothers and in the arrest of a great number of people.

From the Nicaraguan mountains, the Voice of Sandino strongly condemns this genocidal action perpetrated by state security against our Atlantic coast brothers. This repression is being carried out by traitors who call themselves Sandinists and who, with help from Cubans, ruthlessly repress our people, who will not let communism take over Nicaragua.

BRIEFS

PUBLIC SECURITY CONCICTIONS -- Yolanda Huembes, judge at the 2d district Criminal Court, has sentenced 19 counterrevolutionary Somozists to 4- and 8-year prison terms for violating the law on public security. The 19 Somozists were captured by combatants of the National Directorate of State Security. [Text] [Managua Domestic Service in Spanish 0300 GMT 9 Jun 83 PA]

BATTALIONS RETURN -- Combatants of Battalion 30-62 of two companies of Battalion 30-72 returned to Managua on 4 June from the mountains, for which they had departed in December of 1982. On hand to receive them were Guerrilla Commander Dora Maria Tellez, Foreign Minister Miguel D'Escoto, and other Sandinist leaders. [Summary] [Managua BARRICADA in Spanish 5 Jun 83 pp 1, 5 PA] -- Matagalpa -- Members of heroic Battalion 60-12 returned last night after spending more than 6 months in the mountains. Guerrilla Commander Alonso Porras, political secretary of the regional FSLN committee, and leaders of mass organizations attended the event held by Matagalpa residents to welcome them. [Summary] [Managua Radio Sandino in Spanish 1830 GMT 8 Jun 83 PA]

MASS FOR FALLEN SANDINISTS -- Msgr Jose Arias Caldera officiated a mass yesterday for Sandinist youths of Battalion 30-62 who were killed in action. Members of this battalion and relatives attended the mass held in Ciudad Jardin in Managua. [Summary] [Managua Radio Noticias in Spanish 1200 GMT 8 Jun 83 PA]

MANAGUA HEALTH SUBREGIONS -- Managua has been divided into two health subregions to avoid the crowding of patients: the east and west subregions. Each subregion has health centers, polyclinics, and adult and children's hospitals. [Summary] [Managua Radio Noticias in Spanish 1200 GMT 8 Jun 83 PA]

GROWING HONDURAN INVOLVEMENT IN FIGHTING CITED

PA140444 Havana International Service in Spanish 0000 GMT 13 Jun 83

["Our America" commentary]

[Text] Combatants of the Sandinist People's Army dislodged counterrevolutionary troops who entered Nicaragua a week ago through Jalapa in Nueva Segovia Department from Marupuchi and La Cantina. Fighting continued in Teotecacinte, El Siuce, and El Porvenir. This new attack by Somozist Guardsmen is being rejected everywhere despite the help that the anti-Sandinists are getting from the Honduran Army. These uniformed forces gathered their key troops near El Porvenir, while the counterrevolutionaries brazenly moved around in Honduran Army vehicles.

Since the resumption of the Somozist aggression, more than 140 counterrevolutionaries have been killed in the fighting, many have been wounded, and dozens captured by Sandinist forces. In these actions, the Honduran Army has once again supported, with men and artillery, the criminal attack by Nicaraguan counterrevolutionaries.

The Honduran Air Force first bombs the area where bands of former Somozist Guardsmen are to pass as they enter Nicaraguan territory, and then the Honduran Armed Forces support these criminals with heavy artillery. Honduran Army participation in the actions of anti-Sandinist groups is growing. This increasing Honduran interference is a result of the continued military support that the United States gives to the Tegucigalpa regime, already a bulwark of imperialist reactionaries in Central America.

In the past few months, Washington has sent large quantities of weapons and ammunition to Honduras in an effort to rearm the Honduran Army, which the United States has converted into a spearhead against the Sandinist revolution.

On Thursday, the AGENCIA INFORMATIVA DE PRENSA reported the presence of top Pentagon officials in Honduras, including Rear Admiral Donald Thompson, commander of the U.S. 7th Coast Guard Region. The source added that Thompson, who arrived in Honduras on an official visit, went immediately to Puerto Cortes, where Washington is building a military training center for the area's repressive forces. This top U.S. officer will meet with Honduran President Roberto Suazo, Jose Abdernego Bueso, chief of the Honduran Army's joint general staff, and other important armed forces officers. So far this year, a dozen important U.S. military officers have travelled to Honduras on special missions. In their meetings with Honduran officials, these U.S. emissaries have discussed the current political situation in Central America in general and the prevailing situation on the border with Nicaragua in particular. After each visit, new U.S. weapons increase the offensive arsenal of the Honduran Army, which is also becoming more involved in the dirty war of aggression that Nicaraguan counter-revolutionaries are waging against the Sandinist revolution.

All this confirms the intentions of U.S. imperialism not to put a stop to its covert actions against Nicaragua or help in the search for political and negotiated solutions to the Central American crisis. Each step Washington takes in the area exacerbates political-military tensions and aggravates the Central American situation. But the reactionary U.S. plans for the region are doomed to fail because, as history has shown, no force, powerful as it may be, is capable of overcoming a people's desire to build its own destiny.

IDB MEMBERS CONSIDER ESTABLISHING SUBSIDIARY

FL142300 Bridgetown CANA in English 2200 GMT 14 Jun 83

[Excerpt] Kingston, Jamaica, June 14, CANA -- Inter-American Development Bank (IDB) members, with strong backing from Jamaica, resumed discussions in Kingston today on proposals to establish a subsidiary institution whose focus would be on mobilising capital for private sector investment in Latin America and the Caribbean.

"... While development assistance through the public sector is a continuing and vital need, it is also well recognised that in most of the economies of the region the private sector is an important partner in development," the Jamaica prime minister, Edward Seaga, told the opening of this fourth meeting of parties interested in the enterprise.

Seaga, who is also Jamaica's finance minister, said that the establishment of the so-called Inter-American Investment Corporation (IIC) would provide the flexibility for private sector financing not available in the IDB.

"The creation of this facility, which will expand financial and technical services to the productive private sector, will enhance the IDB's capacity to make equity investments and to expand direct forms of financing and other services to private enterprises in Latin America above and beyond that which it has been able to do within the framework of existing instrumentalities and the bank's charter provisions," the Jamaica leader said.

The meeting here, according to IDB officials, is considering a draft charter and other pertinent matters, and Seaga called on member countries "to support the establishment of this much-needed facility so that it can begin its operations as soon as possible."

He said that Jamaica would be ready to pay in full the required initial paid-in subscription of founding members "on whatever date is finally specified by the Board of Executive Directors of the corporation."

The IIC, as envisioned, would promote the economic development of the IDB's regional member countries by, according to a bank report, "the establishment, expansion and modernisation of enterprises."

DOMINICA

PRIME MINISTER TO VISIT MARTINIQUE 23-24 JUN

FL141615 Bridgetown CANA in English 1431 GMT 14 Jun 83

[Text] Roseau, Dominica, June 14, CANA -- Dominica's Prime Minister Eugenia Charles is to pay an official visit to the (?neighbouring island) of Martinique June 23-24, the Ministry of Foreign Affairs here has announced. It gave no details except that she will meet the prefect of Martinique.

GRENADA

BISHOP HOLDS PRESS CONFERENCE ON U.S. VISIT

FL150002 St Georges Domestic Service in English 2300 GMT 14 Jun 83

[Text] Prime Minister Maurice Bishop has said that the inclusion of members of the private sector in the Grenada delegation which visited the United States played a tremendous role in making the visit a success. Comrade Bishop made the statement today at a news conference in St Georges where he reported on the visit to the United States. He said one of the objectives of the visit was to promote Grenada's tourism and he mentioned meeting the president of the local Hotels Association, (Royster Hopkins), held with a number of tourism officials in the U.S.A.

[Begin Bishop recording] It was one of the things that is required that there has to some kind of governmental agreement. Now, pursuant to this request made to the United States Government, discussions were held, like I said, with all officials and with Mr Ramdhanny during this visit, and a number of American airlines so that this whole process can come in. [end recording]

Prime Minister Bishop said that a meeting was also held with airline companies in the United States. He said this was mainly due to a message sent by the Foreign Ministry in St Georges to the U.S. Embassy in Barbados expressing Grenada's willingness to initiate talks between the governments of this country and the United States on airlines and landing rights.

FOREIGN MINISTER LAUDS USSR, RAPS U.S.

FL141641 Bridgetown CANA in English 1424 GMT 14 Jun 83

[Text] St Georges, Grenada, June 14, CANA -- Grenada's foreign minister, Unison Whiteman, has told Caribbean youths attending a conference here they must take courage from the commitment of the Soviet Union not to be the first country to use nuclear or conventional weaopns.

"We must build on this by asking the other great powers to follow the courageous lead of the USSR and to make similar pledges to the world," Whiteman told the youths from several Caribbean countries attending the Conference on Peace.

Mr Whiteman also reiterated Grenada's support for the efforts by the Contadora Group -- Mexico, Venezuela, Colombia and Panama -- to ease the threat of war in Central America particularly between Nicaragua and its neighborus.

The foreign minister stated that the policies of the United States were undermining the universally acceptable doctrine of "peaceful co-existence" which had served mankind for the past 40 years following the Second World War. He accused the United States of attacking the" progressive gains" of the people of Nicaragua and of trying "to reverse the gains in several parts of the world."

The conference, being attended by youths from regional peace councils, women's organisations, youth movements, trade unions, church councils, political parties and mass movements, is being organised by Grenada's Pope Paul Ecumenical Centre.

Delegates are from such countries as Cuba, Puerto Rico, Nicaragua, St Lucia, St Vincent and the Grenadines, Dominica, Grenada, Guyana, Jamaica, Antigua and Barbuda, the U.S. Virgin Island of St Croix, Montserrat and Trinidad and Tobago.

The conference, which has as its theme "through the struggle for justice, equality and freedom, peace will be attained" came out of a meeting of Caribbean youth leaders, held in Grenada last July.

OFFICIAL MAY SUE VOA, EXILE GROUP LEADER

FL142030 Bridgetown CANA in English 1800 GMT 14 Jun 83

[Text] St Georges, Grenada, June 14, CANA -- A member of Grenada's newly established Constitutional Commission, Ashley Taylor, said today he is considering taking legal action against Michael Sylvester, leader of a United States-based Grenadian exile group opposed to Prime Minister Maurice Bishop, and against Voice of America (VOA) radio for alleged defamatory statements Sylvester made about him in a VOA interview broadcast Sunday night.

Sylvester, president of the Grenada Movement for Freedom and Democracy (GMFD), attacked Taylor's reputation in the interview, alleging that the legal adviser to Grenada's Ministry of Foreign Affairs was an active member of the Canadian Communist Party. Taylor has denied the charge. "I am taking counsel's advice to see what sort of legal remedies would be available against Mr Syvester and the Voice of America for the apparently libellous nature of references made about me by Mr Sylvester and broadcast by the Voice of America," Taylor said.

Sylvester, a lawyer resident in New York, had been asked by VOA for a comment on the announcement by the leftist People's Revolutionary Government (PRG) of the commission, whose task is to draw up a new constitution for Grenada to replace the one suspended by the PRG shortly after it seized power in a 1979 coup. Sylvester said his organisation was committed to removing the Maurice Bishop government using "whatever means," including the use of force if this was necessary.

In the interview, he also attacked the chairman of the commission, Trinidadian lawyer Alan Alexander, and Grenada's attorney-general, Jamaican Richard Hart, another member of the commission. He described Alexander as "a black power advocate" and Hart as "an avowed communist."

REGIME ACCUSED OF TORTURING POLITICAL PRISONERS

FL150120 Bridgetown CANA in English 2238 GMT 14 Jun 83

[Excerpts] Port-of-Spain, Trinidad, June 14, CANA -- A former political detainee of Grenada's People's Revolutionary Government (PRG) has alleged in a newspaper interview published here that prisoners were subject to various forms of torture in the Spice Isle.

Businessman Anthony Mitchell, held from October 15, 1979 to November 16, 1982, accused the Grenada authorities of shooting prisoners, administering electrical shocks to sensitive parts of their bodies, and peeling off their skin with pliers.

Mitchell, now a temporary resident of Barbados until he gets permission to settle in the United States, told the EXPRESS newspaper it was only because his mother was close to the ruling New Jewel Movement (NJM) that he did not get rougher treatment.

"I have to say that I was lucky I was not brutalised any more than I was and this was because of my mother who has been close to the Movement," he said, adding: "There were other things they did to some of the prisoners. They shocked people in their bottoms, they shocked them in their testicles, they broke people's fingers and allowed the bones to set without any medical attention. "Most of this type of torture was carried out at Mount Royal, which had been Gairy's house."

Mitchell told the EXPRESS that the grounds for his being detained were that he was "reasonably suspected of counselling and conspiring with other persons to take action of such a nature that was likely to endanger public safety, public order or the defence of Grenada or to subvert or sabotage the People's Revolutionary Government."

GOVERNMENT'S NEW LAWS INCREASE TAXES ON IMPORTS

FL150105 Bridgetown CANA in English 2310 GMT 14 Jun 83

[Text] St Georges, Grenada, June 14, CANA -- The Grenada Government has proclaimed two new laws -- both increasing taxes on imports.

The international airport levy law has been amended to raise from two to five per cent the tax on the CIF (cost/insurance/freight) of imports, with few exceptions.

An amendment to the motor vehicles and road traffic law raises from 30 to 40 per cent the purchase tax on the showroom price of new motor vehicles.

Sources in the motor vehicle trade said the increased purchase tax will put up the retail price of the average lower-priced car by about just over 2,000 (EC) dollars (one EC dollar; 37 cents U.S.) and the hike on higher priced vehicles will run from about 3,000 E.C. dollars.

Richard Menezes, president of the Grenada Chamber of Industry and Commerce said today a meeting of the chamber had been called for June 22 to discuss the taxes, both dated June 10.

JAMAICA

SEAGA TERMS FOREIGN EXCHANGE GAP 'CRITICAL'

FL141901 Kingston Domestic Service in English 1000 GMT 14 Jun 83

[Text] A cabinet retreat going for the last 4 days is believed to have discussed the question of raising money to finance the foreign exchange budget. The meeting attended by senior financial experts in the government came against the background of a U.S. $150 million gap in the foreign exchange budget as well as the financial crisis in the region as a whole. In a budget presentation recently, Prime Minister Seaga cited a critical shortfall in foreign exchange, describing it as a real problem. And following the presentation, Mr Seaga also announced that further shifts in expenditures from the official to the parallel market rates would have to take place in order to provide a fully financed foreign exchange budget.

The extent of the shift, he said, was dependent on whether two loans from European banks totalling U.S. $150 million materialized. The prime minister said at the time that unless the loans materialized the government would have to make substantial cuts in the budget and also reduce the level of imports. Mr Seaga said he was hopeful the money would be raised so that the government would not have to take strong and serious steps in the event the loans fell through.

TRINIDAD AND TOBAGO

MANNING MAY SEEK VENEZUELAN CRUDE FOR CARIBBEAN

FL142100 Bridgetown CANA in English 1843 GMT 14 May 83

[Text] Port-of-Spain, Trinidad, June 14, CANA -- Trinidad and Tobago's energy minister, Patrick Manning, currently in Caracas on a one-week trip, may explore the possibility of this republic regaining crude for its Caribbean neighbours under an agreement between Venezuela and Mexico, according to the TRINIDAD GUARDIAN newspaper.

Under the San Jose Accord, Mexico and Venezuela offer oil to Barbados, Costa Rica, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama and the Dominican Republic on concessional terms. The countries in the pact buy the oil at prevailing world market prices but get a 30 per cent cost rebate in the form of a five-year loan at four per cent annual interest.

Manning left here on Sunday leading a delegation of seven which includes his permanent secretary, Trevor Boosingh.

GUARDIAN FORESEES DELAYS IN GRENADIAN ELECTIONS

FL091832 Bridgetown CANA in English 1640 GMT 9 Jun 83

[Text] Port-of-Spain, Trinidad, June 9, CANA -- The TRINIDAD GUARDIAN says it is unlikely the left-learning government in Grenada will hold general elections for several years. It said in an editorial it expected that a move to formulate a constitution will not lead to popular elections but entrench the "totalitarian hold" of the ruling People's Revolutionary Government (PRG).

The paper added: "...we understand only too well the PRG's pseudo-democratic game plan. After four years in power, your regime is still consulting the people on the constitution and it may well take another four years before all the people's contributions can be collected, collated and harmonised. "And then another four years, perhaps, for the process of drafting, and so on, and so on."

The GUARDIAN said it had watched Prime Minister Maurice Bishop and his Grenadian "coup-makers" tighten their control over the island and lapse into the predictable forms of paranoia. The newspaper was reacting to a visit here by the Grenandian deputy prime minister's wife, Phyllis Coard, who sought to explain her government's concentration on developing the country before holding elections.

The editorial comment came prior to this month's announcement that Grenada has set up a constitutional commission and elections might be held within a year and a half.

MILITARY REGIME ORGANIZES 'PEOPLE'S MILITIA'

FL142005 Bridgetown CANA in English 1840 GMT 14 Jun 83

[Text] Paramaribo, Suriname, June 14, CANA -- Suriname's ruling military, pledged to the Socialist transformation of this former Dutch colony, has organised a people's militia to back up the national army's capacity to defend the country's three-year-old leftwing revolutionary process.

The official SURINAME NEWS AGENCY (SNA) said today thousands of men, women, and youths "in all strata of the society" here had responded enthusiastically to the national recruitment drive, launched a month ago.

It added that the number of persons coming forward to offer their services for the defence of Suriname had increased considerably following the recent disclosure that the United States Central Intelligency Agency (CIA) had drawn up plans late last year to overthrow the regime of army strongman, Lieutenant-Colonel Desi Bouterse.

Bouterse, addressing militia members at the weekend, said not only the army leadership was threatened by the alleged CIA conspiracy but the whole Surinamese nation. "Imperialism has declared total war on us," he said

Suriname's troubles, the army commander added, started with the 1980 revolution but he pledged this process, initiated by a sergeants coup that installed him in power, would not be reversed because it had placed power in the hands of the people.

"Suriname will defeat in the spirit of Simon Bolivar, Jose Marti, Augusto Sandino and Anton de Kom (all Latin American revolutionaries) which will make us invincible, Bouterse told the gathering.

He added: "We shall continue on this road to finish exploitation and foreign domination and for the establishment of a genuine independence in which the rights of our people are focal."

"Imperialism is trying hard not to lose its grip but is confronted with rapidly growing liberation movements in all parts of the world which proves that Suriname is not alone."

The army chief referred to current efforts by U.S. backed Nicaraguan exiles to topple the leftwing Sandinista government in Managua and urged Surinamers to ensure a similar situation does not arise here.

"The only answer to mercenaries, destabilisation and CIA conspiracies is a united people," Bouterse said.

ECUADOR

GOVERNMENT DISMISSES POSSIBILITY OF COUP

PA141504 Buenos Aires LATIN in Spanish 0722 GMT 14 Jun 83

[Excerpts] Quito, 14 Jun (LATIN-REUTER) -- In view of the increasing social tension in Ecuador -- a result of a sudden spiraling inflation rate that has even affected the troops, who are demanding salary increases -- the government rejected any possibility of a civilian or military coup last night.

Ecuador became a democracy in August 1979, ending an era of dictatorships, and will renew its democratic institutions this January when elections will be held for president and legislative and municipal members.

Government (Interior) Minister Vladimiro Alvarez told newsmen that "all civilian and military Ecuadoreans are aware of the need to maintain the democratic system and our institutional stability."

In May, inflation reached a record high of 45 percent; in foodstuffs alone, the annual increase was 66 percent, according to a report by the National Census and Statistics Institute (INEC). According to observers, this situation reflected the government's economic measures, which have included a stringent austerity program, two devaluations, daily minidevaluations, increases in interest rates, increases in the prices of foodstuffs and fuels, and the elimination of state subsidies.

Responding to newsmen's questions, Alvarez replied that "it is time that we demonstrate our faith in ourselves. This country will develop only to the extent that all Ecuadoreans streneously work for the welfare of the entire community."

GUYANA

IRAQ TO CLOSE EMBASSY, SHELVES ECONOMIC AID

FL142107 Bridgetown CANA in English 1850 GMT 14 Jun 83

[Text] Georgetown, Guyana, June 14, CANA -- Iraq is temporarily closing its embassy here at the end of this month and shelving promised economic assistance to Guyana as part of measures to deal with a worsening financial situation as a result of its two-and-a-half-year-old war with Iran, Ambassador Jihad Karam has said.

Karam, who leaves for Baghdad at month-end, lamented the decision but said "this temporary misfortune" would in no way dampen the excellent relations between Iraq and Guyana.

Guyana was earmarked for a multi-million dollar economic assistance package from the oil rich Baghdad government pending the completion of feasibility studies. The Iraqi ambassador gave no details of the package, but he promised that as soon as the present crisis is over, the aid will be forthcoming.

"(Iraq) will provide substantial economic assistance to this country as soon as financial restraints, now affecting Iraq, are over," Karam said.

The ambassador said Iraq, before the outbreak of the war in 1980 with its neighbour, had established funds to provide loans under favourable conditions to fellow Third World countries. Karam also praised the close ties developed between the ruling People's National Congress (PNC) of President Forbes Burnham here and the Baath Socialist Party (BSP) of Iraqi President Saddam Husayn. The two parties, he said, were the signatories of a cooperation agreement.

The Iraqi mission here was set up in 1979. The Arab state is also temporarily closing its mission in Jamaica at the end of this month.

PANAMA

PRD CRITICIZES BUSINESS LEADER'S OUTLOOK

PA140242 Panama City CRITICA in Spanish 13 Jun 83 pp 1, 28

[Letter from Raul Brostella, secretary general of the Democratic Revolutionary Party (PRD) Business Sector to Dulcidio Gonzalez, president of the National Council of Private Enterprise; dated 10 June 1983]

[Excerpts] Dear Dulcidio:

We are deeply concerned to read your ill-advised letter dated 6 June addressed to President De la Espriella, commenting on his speech at the semiannual seminar of the Business Sector of the Democratic Revolutionary Party, held on 4 and 5 June to analyze and evaluate the Central American political situation and Panama's political outlook.

We firmly reject your conclusion that the present Central American crisis can only be solved through armed conflict. That solution, Dulcidio, belittles us before God and man. You could well be suffering from a greater degree of naivete than you attribute to those who preach pacifism when you claim that confrontation and violence are effective means to give Central Americans their lost freedom.

To try to simplify the crisis by labeling it only an East-West conflict is to ignore additional North-South problems. To the Central American reality of misery, underdevelopment, and the socioeconomic imbalance common to societies in which there are inequalities, lack of opportunity, and conditions for exploitation, today, we have to add the imperialist goals of superpowers having oppressive ideologies and well-defined geopolitical ambitions. Our president has often denounced the intervention of the great powers, be it East or West, however, we cannot be socially nearsighted and fail to realize the sad result of dramatic social realities.

PARAGUAY

JAPAN CANCELS EXPORTERS' CREDIT INSURANCE

PY150040 Asuncion ULTIMA HORA in Spanish 10 Jun 83 p 9

[Excerpt] In view of the excessive delay on the part of the Central Bank of Paraguay in remitting foreign currency to cover payments of irrevocable letters of credit, the Japanese Government has cancelled the export credit insurance that it had been granting to Japanese exporters for their sales to Paraguay. Now they are only accepting sight drafts and cash payments, a system which is not accepted by the Central Bank in our country.

Paraguayan importers who trade with Japan reported that purchases from this Far Eastern country are being practically discontinued as a result of the Japanese Government decision. Japanese exporters now only accept sight drafts and cash payments and do not accept letters of credit since they can no longer count on the insurance policy issued by their state.

The people concerned pointed out that the main reason is the excessive delays of the Central Bank of Paraguay in making the foreign exchange remittances, due at 120 days, to settle the payments on imports.

URUGUAY

ARMED FORCES RESUME DIALOGUE WITH POLITICIANS

FL101751 Havana Domestic Television Service in Spanish 1410 GMT 10 Jun 83

[Text] Upon announcing that political proscriptions will soon be lifted and that political parties will have to comply with the rules imposed by the government, officials of the Uruguayan Armed Forces in recent hours resumed dialogue with political leaders.

VENEZUELA

ZAMBRANO REPORTS MEETING WITH PEREZ DE CUELLAR

PA141725 Hamburg DPA in Spanish 2239 GMT 13 Jun 83

[Text] Caracas, 13 Jun (DPA) -- Venezuelan Foreign Minister Jose Alberto Zambrano Velasco met with the president today to report on his talks with UN Secretary General Javier Perez de Cuellar on the Essequibo territory issue. Venezuela is trying to recover a territory of 150,000 square km that is currently under Guyana's control. Both parties are agreeable to having the UN secretary general act as mediator.

Zambrano Velasco spoke to the press after meeting with President Luis Herrera Campins. On his talks with Perez de Cuellar, he said that they "obviously focused on" the enforcement of the Geneva Agreement, signed by Guyana and Venezuela in 1966, which calls for a peaceful settlement of the controversy. Zambrano said that "Venezuela confirmed its viewpoints on the Essequibo claim and the arguments that we have traditionally maintained on this issue." Venezuela holds that the decision signed in 1899, for which Great Britain was the arbiter, "is invalid."

The minister denied that his first meeting with Perez de Cuellar and other UN officials has produced a proposal: "It is still too early; our talks must be more intense, perhaps lengthy, and we must examine all angles of the problem."

The minister also said that "We should get used to seeing these talks as an absolutely normal process, without amazement and without creating false expectations." He also revealed that he informed Perez de Cuellar about the Central American situation and the role that the Contadora Group has been playing.